

ASX ANNOUNCEMENT

Monday 3 February 2020 at 10.00am

Good morning ladies and gentlemen and welcome to this important meeting of the holders of fully paid ordinary shares in CSG Limited or CSG.

My name is Bernie Campbell, the Chairman of CSG, and I will be chairing today's meeting.

In order to avoid any unnecessary interruptions during the meeting, I ask that you please to turn off all mobile phones, electronic equipment and recording devices.

Let me begin by introducing my fellow Directors and our Company Secretary:

- Mark Bayliss - Acting Chief Executive Officer and Managing Director;
- Robin Low - Non-Executive Director;
- Rajarshi Ray - Non-Executive Director; and
- Howard Edelman - Interim General Counsel and Company Secretary.

Members of CSG's management team are also present today and are sitting in the front row:

- Ashley Conn, Chief Financial Officer

Attending today's meeting are representatives from the Company's legal adviser MinterEllison and the Company's financial adviser Moelis Australia.

Representatives of our share registry, Computershare Investor Services Pty Limited, are also present today to assist in conducting the poll at today's meeting. I appoint David Squires of Computershare to act as Returning Officer. Mr Squires has agreed to act in this capacity.

Introduction

It is now 10.00am being the scheduled commencement time for the Scheme Meeting.

A quorum is present and therefore I declare this Scheme Meeting open.

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This Scheme Meeting has been convened in accordance with orders made by the Supreme Court of New South Wales on 17 December 2019 and CSG's Constitution.

The purpose of this Scheme Meeting is for you to consider, and if you think fit, agree to a members' scheme of arrangement between CSG and its shareholders under which Fuji Xerox Asia Pacific Pte Ltd will acquire all the shares of CSG Limited, provided that all conditions to the Scheme are satisfied or waived (if applicable).

Notice of today's Scheme Meeting dated 17 December 2019 is contained in Appendix 3 of the Explanatory Booklet and sets out the resolution proposed for the meeting.

As the Explanatory Booklet was released to the ASX on 18 December 2019 and mailed to CSG shareholders on 23 December 2019, I will take the Notice of Scheme Meeting as read.

The Explanatory Booklet outlines the reasons for shareholders to vote in favour of the Scheme, potential reasons to vote against the Scheme and additional considerations to take into account. It also includes the Independent Expert's Report. I am confident that shareholders have carefully considered this document and so I will not attempt to restate all the information it contains.

Overview of Scheme

Shareholders are being asked to consider and vote on a proposal under which Fuji Xerox Asia Pacific Pte Ltd will acquire all the shares in CSG Limited under a scheme of arrangement for \$0.31 per CSG share.

If the Scheme proceeds, CSG shareholders will receive cash consideration of \$0.31 for each CSG Share they hold on the Record Date.

Reasons to vote in favour of the Scheme

I would like to take this opportunity to outline the CSG Board's reasons for recommending that you vote in favour of the Scheme:

- The CSG Directors unanimously recommend that you vote in favour of the Scheme, in the absence of a superior proposal and subject to the independent expert continuing to conclude that the Scheme is in the best interests of CSG shareholders.
- Lonergan Edwards, the independent expert, has concluded that the Scheme is fair and reasonable and in the best interests of CSG shareholders, in the absence of a superior proposal.

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- The Scheme consideration of \$0.31 cash per CSG share represents a significant premium to recent trading prices of CSG shares prior to 24 October 2019, being the date CSG announced it had signed the agreement with Fuji Xerox Asia Pacific Pte Ltd under which it is proposed that Fuji Xerox Asia Pacific Pte Ltd would acquire 100% of the shares in CSG by way of a scheme of arrangement.
- Under the Scheme, you will receive certain value for your investment in CSG, avoiding the risks and uncertainties associated with an investment in CSG.
- If the Scheme is not implemented, and no superior proposal emerges, the price of CSG shares may fall.
- Since announcement of the Scheme on 24 October 2019, no superior proposal has emerged.
- The Scheme has major CSG shareholder support. Caledonia (Private) Investments Pty Limited, and its associates, has a relevant interest in 29.1% of CSG shares on issue and has informed CSG that it intends to vote in favour of the Scheme based on the disclosed terms of the Scheme and:
 - subject to no superior proposal emerging, and
 - subject to the independent expert continuing to conclude that the Scheme is in the best interests of CSG shareholders.
- There are no brokerage costs on the disposal of your CSG shares under the Scheme.

Reasons to vote against the Scheme

There are also some potential reasons to vote against the Scheme which are outlined in the Explanatory Booklet. These include the following:

- You may disagree with the CSG Directors' unanimous recommendation, and Independent Expert's conclusion that the Scheme is fair and reasonable and in your best interests in the absence of a superior proposal.
- You may prefer to participate in the future financial performance of the CSG business.
- You may consider that the Scheme does not capture the future value of CSG's strategic options.
- You may consider there is potential for a superior proposal to emerge in the foreseeable future.

These and other possible reasons to vote against the Scheme are all outlined in your Explanatory Booklet.

CSG Directors' recommendation and voting intention

Your Directors continue to believe that the reasons to vote in favour of the Scheme outweigh any reasons to vote against the Scheme and that the Scheme is in the best interests of shareholders, in the absence of a superior proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of shareholders.

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Accordingly, the CSG Board unanimously recommends shareholders vote in favour of the Scheme in the absence of a superior proposal and subject to the independent expert continuing to conclude that the Scheme is in the best interests of CSG shareholders.

Each CSG Director has voted or intends to vote in favour of the Scheme at today's meeting in relation to the CSG shares held or controlled by them.

Independent Expert's conclusion

The Independent Expert, Lonergan Edwards & Associates Limited, has concluded that the Scheme is fair and reasonable and in the best interests of CSG shareholders, in the absence of a superior proposal.

I can confirm that no superior proposal has been received.

Current status

As set out in the Explanatory Booklet and the Independent Expert's Report included in Appendix 1 of the Booklet, the conditions precedent relating to the ACCC, NZCC and the Independent Expert's opinion have been satisfied.

The Scheme remains subject to a number of conditions, including:

1. CSG shareholders passing the resolution to approve the Scheme at this Scheme Meeting; and
2. the Supreme Court of New South Wales approving the Scheme at the Second Court Hearing, which is scheduled to be held at 10.00am on Wednesday 5 February 2020.

There are also some operational and procedural type conditions, usual for a transaction of this nature, which are described in the Explanatory Booklet.

The Directors are not aware of any circumstances which would cause any of the remaining Scheme conditions not to be satisfied or which would result in the termination of the Scheme Implementation Deed.

Timetable to implementation

If the Scheme is approved by the requisite majorities of shareholders at this Scheme Meeting, CSG will apply to the Court for orders approving the Scheme on Wednesday 5 February 2020.

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If the Court approves the Scheme, a copy of the Court orders will be lodged with the Australian Securities and Investments Commission, and CSG shares will be suspended from trading on the ASX, each of which are expected to occur on 5 February.

CSG shareholders registered as holders of CSG shares at 7.00pm on the record date will be entitled to receive the Scheme consideration. The record date is expected to be 12 February 2020.

The implementation date of the Scheme is expected to be 19 February 2020, with payment of the Scheme consideration to be made within 5 business days after the implementation date.

Scheme Resolution

I would now like to proceed to the formal business of this Scheme Meeting.

The item of business for this meeting is to consider, and if thought fit, pass the following resolution:

*"That, pursuant to and in accordance with section 411 of the Corporations Act 2001 (Cth), the scheme of arrangement proposed to be entered into between CSG Limited (**Company**) and the holders of its fully paid ordinary shares, the terms of which are contained in and more particularly described in the Scheme Booklet (of which the notice convening this meeting forms part) is approved, and the directors of the Company are authorised to agree to such alterations or conditions as are approved by the Court, and subject to approval by the Court, to implement the scheme of arrangement with any such alterations or conditions."*

I refer to this resolution as the Scheme Resolution.

Voting on the Scheme Resolution will be conducted by poll.

In a few moments, I will allow for questions on the Scheme Resolution. After any questions, we will move to a vote on the Scheme Resolution by poll.

As the vote counting may take some time I will then formally close the meeting. The results of the poll will be announced via the ASX as soon as they are finalised.

Voting requirements

In order for the Scheme Resolution to be passed, it must be agreed to by shareholders:

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- by a majority in number (ie. more than 50%) of shareholders present and voting at this meeting, whether in person or by proxy, attorney or corporate representative; and
- by at least 75% of the total votes cast on the Scheme Resolution.

Proxies

The deadline for lodgement of proxy forms was 5.00pm (Sydney time) on 31 January 2020, as indicated in the Notice of Scheme Meeting, Section 2 (How to Vote) of the Explanatory Booklet and in the Proxy Form.

Before commencing the poll, I wish to advise on the results of proxy voting.

Valid proxies have been received in respect of a total of 320,706,977 CSG shares representing 269 shareholders. The proxy results are shown on the screen.

As indicated in the Notice of Scheme Meeting in Appendix 3 of the Explanatory Booklet, I intend to vote all valid undirected proxies given to me in favour of the Scheme Resolution.

Questions

I would now like to open the meeting to questions and discussion by shareholders who hold blue voting cards or Non-Voting shareholders holding yellow cards on the Scheme Resolution.

I ask that any questions or comments be addressed to me as Chairman and, in that capacity, I will determine whether any other person present at the meeting will be asked to respond.

As this is a meeting of CSG shareholders, only CSG shareholders or persons in attendance as a proxy for a CSG shareholder or a properly appointed attorney or corporate representative of a CSG shareholder are entitled to ask questions or make comments. I therefore ask anyone who wishes to speak to please state your name or the name of the CSG shareholder or proxy you represent and to confine your remarks to the subject of the resolution and use only a reasonable time to do so.

I now invite questions or comments regarding the Scheme Resolution. Please raise your hand if you wish to ask a question or make a comment.

[Questions]

Thank you

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Vote on Scheme Resolution

If there are no further questions or comments, we have now reached the stage where a vote by poll is to be taken on the Scheme Resolution. The results of the poll on the Scheme Resolution will be announced via ASX as soon as they are finalised.

Before moving onto the vote, I would like to take this opportunity to thank my fellow Directors and the CSG management team for their commitment and support during this process. I would also like to thank you, the CSG shareholders, for your support over the years.

END

Further information please contact:

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