



ASX RELEASE – ASX:RFL

Sydney, Australia, 24 March, 2017: Rubik Financial Limited (**Rubik**) is pleased to announce that the Australian Securities and Investments Commission (**ASIC**) has registered the scheme booklet (**Scheme Booklet**) in relation to the proposed acquisition of all of the shares in Rubik by Temenos Group AG (via its indirectly wholly-owned subsidiary Temenos Solutions Australia Pty Ltd (ACN 617 568 957)), by way of a scheme of arrangement (the **Scheme**).

This follows the issuance of orders by the Federal Court of Australia (the **Court**) yesterday, approving the dispatch of the Scheme Booklet to Rubik shareholders and the convening of a meeting of Rubik shareholders to consider and vote on the Scheme (**Scheme Meeting**), which was announced by Rubik yesterday.

Grant Thornton Corporate Finance Pty Ltd (**Independent Expert**), the independent expert appointed by the Board of Directors of Rubik in relation to the Scheme, has concluded that the Scheme is in the best interests of Rubik shareholders.

A copy of the Scheme Booklet, including the Notice convening the Scheme Meeting and the Independent Expert's Report, is attached to this announcement.

Copies of the Scheme Booklet and accompanying documents will be sent to Rubik shareholders on Monday, 27 March 2017. Those Rubik shareholders who have previously elected to receive notifications from Rubik's share registry in electronic format will be sent the material electronically. Rubik will send the materials to all other shareholders by post.

The Board of Directors of Rubik continues to unanimously recommend that Rubik shareholders vote in favour of the Scheme at the upcoming Scheme Meeting, in the absence of a superior proposal, and subject to the Independent Expert continuing to consider that the Scheme is in the best interests of Rubik shareholders.

Rubik shareholders will vote on the Scheme at the Scheme Meeting, which will be held at **10.00am (Sydney time) Wednesday, 26 April 2017 at Rubik Financial, Level 10, 85 Castlereagh Street, Sydney NSW 2000.**

The key events and the expected timing in relation to the approval and implementation of the Scheme are set out in the table below:

EVENT	DATE
Scheme Booklet dispatched to Rubik shareholders	Monday, 27 March 2017
Scheme Meeting	Wednesday, 26 April 2017
Second Court Hearing	Friday, 5 May 2017
Effective Date	Monday, 8 May 2017
Record Date (5.00pm Sydney time)	Monday, 15 May 2017
Implementation Date	Monday, 22 May 2017

-Ends-

For more information please contact:

Iain Dunstan
CEO
+61 2 9488 4067

iain.dunstan@rubik.com.au

Joanna McCarthy
Head of Marketing & Communications
+61 412 162 152

Joanna.McCarthy@rubik.com.au

About Rubik

Rubik Financial Limited (ASX:RFL) is a leading ASX listed fintech company that delivers innovative banking, financial services and collections software solutions both in Australia, and internationally across Asia and the Middle East. More than 150 employees service 930 direct clients and 23,000 end users in 12 countries. Headquartered in Sydney, Rubik's clients are Australia's leading Financial Institutions, including the 4 major banks and a growing list of international financial and telco institutions. Rubik is ISO9001 and ISO27001 certified.

For more information please visit www.rubik.com.au





Rubik Financial Limited
ACN 071 707 232

THIS IS AN IMPORTANT DOCUMENT AND REQUIRES YOUR IMMEDIATE ATTENTION. YOU SHOULD READ IT ENTIRELY BEFORE DECIDING WHETHER OR NOT TO VOTE IN FAVOUR OF THE SCHEME OF ARRANGEMENT. IF YOU ARE IN ANY DOUBT ABOUT HOW TO DEAL WITH THIS DOCUMENT, YOU SHOULD CONTACT YOUR BROKER OR FINANCIAL, TAXATION, LEGAL OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

Scheme Booklet

This Scheme Booklet relates to a scheme of arrangement in relation to the proposed acquisition by Temenos Group AG of all Rubik Shares held by Scheme Shareholders for \$0.1667 cash per Rubik Share.

The Rubik 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 consider that the Scheme is in the best interests of Rubik Shareholders.

A Notice of Scheme Meeting is included as Attachment A to this Scheme Booklet, and a proxy form for the Scheme Meeting accompanies this Scheme Booklet. The Scheme Meeting will be held at 10.00am (Sydney time) on Wednesday, 26 April 2017 at the offices of Rubik at Level 10, 85 Castlereagh Street, Sydney NSW 2000.

If, after reading this Scheme Booklet, you have any questions about the Scheme or the number of Rubik Shares you hold or how to vote, please call the Shareholder Information Line on 1300 728 483 (within Australia) or +61 (0)3 9946 4453 (outside Australia) Monday to Friday between 8.30am and 5.00pm (Sydney time).

If you have recently sold all of your Rubik Shares, please disregard this document.

Legal Adviser



Important notices

Defined terms

Capitalised terms used in this Scheme Booklet are defined in the Glossary in section 9 of this Scheme Booklet.

This Scheme Booklet

This Scheme Booklet includes the explanatory statement required to be sent to Rubik Shareholders in relation to the Scheme under Part 5.1 of the Corporations Act. A copy of the proposed Scheme is set out in Attachment C to this Scheme Booklet.

You should read this Scheme Booklet carefully and in its entirety before making a decision as to how to vote on the resolution to be considered at the Scheme Meeting. If you are in doubt as to what you should do, you should consult your legal, financial or other professional adviser.

Responsibility for information

- (a) Except as provided in paragraphs (b) to (d) below, the information in this Scheme Booklet has been provided by Rubik and is the responsibility of Rubik. Temenos and its directors, officers and advisers do not assume any responsibility for the accuracy or completeness of any such Rubik information.
- (b) Temenos has provided and is responsible for the Temenos Information and has consented to the inclusion of the Temenos Information in this Scheme Booklet. Rubik and its directors, officers and advisers do not assume any responsibility for the accuracy or completeness of the Temenos Information.
- (c) Ernst & Young has provided and is responsible for the information contained in section 7 of this Scheme Booklet. Neither Rubik nor Temenos assumes any responsibility for the accuracy or completeness of the information contained in section 7 of this Scheme Booklet. Ernst & Young does not assume any responsibility for the accuracy or completeness of the information contained in this Scheme Booklet other than that contained in section 7.
- (d) The Independent Expert, Grant Thornton, has provided and is responsible for the information contained in Attachment E to this Scheme Booklet and has consented to the inclusion of the information in Attachment E in this Scheme Booklet. Rubik does not assume any responsibility for the accuracy or completeness of the information contained in Attachment E to this Scheme Booklet except in relation to information given by it to the Independent Expert. Temenos does not assume any responsibility for the accuracy or completeness of the information contained in Attachment E to this Scheme Booklet. The Independent Expert does not assume any responsibility for the accuracy or completeness of the information contained in this Scheme Booklet other than that contained in Attachment E.

Computershare has had no involvement in the preparation of any part of this Scheme Booklet other than being named as Rubik's Share Registry. Computershare has not authorised or caused the issue of, and expressly disclaims and takes no responsibility for, any part of this Scheme Booklet.

Investment decisions

The information in this Scheme Booklet does not constitute, and should not be taken as, financial product advice. This Scheme Booklet has been prepared without reference to the investment objectives, financial situation or particular needs of any Rubik Shareholder or any other person.

This Scheme Booklet should be read in its entirety before making a decision on whether or not to vote in favour of the Scheme. In particular, it is important that you consider the potential risks if the Scheme does not proceed, as set out in section 6 of this Scheme Booklet, and the views of the Independent Expert set out in the Independent Expert's Report contained in Attachment E. This Scheme Booklet should not be relied on as the sole basis for any investment decision. Independent legal, financial and taxation advice should be sought before making any investment decision in relation to your Rubik Shares.

ASIC and ASX involvement

This document is the explanatory statement for the scheme of arrangement between Rubik and the holders of Rubik Shares as at the Scheme Record Date for the purposes of section 412(1) of the Corporations Act. A copy of the proposed Scheme is included in this Scheme Booklet as Attachment C.

A copy of this Scheme Booklet (including the Independent Expert's Report) has been lodged with and registered for the purposes of section 412(6) of the Corporations Act by ASIC. ASIC has been requested to provide a statement in accordance with section 411(17)(b) of the Corporations Act that ASIC has no objection to the Scheme. If ASIC provides that statement, then it will be produced to the Court on the Court Approval Date.

Neither ASIC nor any of its officers take any responsibility for the contents of this Scheme Booklet.

A copy of this Scheme Booklet will be lodged with ASX. Neither ASX nor any of its officers take any responsibility for the contents of this Scheme Booklet.

Important notice associated with Court order under subsection 411(1) of the Corporations Act

The fact that under subsection 411(1) of the Corporations Act the Court has ordered that a meeting be convened and has approved the explanatory statement required to accompany the notice of the meeting does not mean that the Court:

- (a) has formed any view as to the merits of the proposed Scheme or as to how members should vote (on this matter members must reach their own decision); or
- (b) has prepared, or is responsible for the content of, the explanatory statement.

Notice regarding Second Court Hearing and if a Rubik Shareholder wishes to oppose the Scheme

The date of the Second Court Hearing to approve the Scheme is Friday, 5 May 2017. The hearing will be at 10.15am (Sydney time) at the Federal Court of Australia at Law Courts Building, 184 Phillip Street, Sydney NSW 2000.

Each Rubik Shareholder has the right to appear and be heard at the Second Court Hearing and if so advised, oppose the approval of the Scheme at the Second Court Hearing. If you wish to oppose in this manner, you must file and serve on Rubik a notice of appearance, in the prescribed form, together with any affidavit on which you wish to rely at the hearing. The notice of appearance and affidavit must be served on Rubik at its address for service at least one day before Friday, 5 May 2017. The address for service for Rubik is:

Rubik Financial Limited
Level 10
85 Castlereagh Street
Sydney NSW 2000
Australia

Attention: Darius Coveney
Email: Darius.coveney@rubik.com.au

Disclosure regarding forward-looking statements

This Scheme Booklet contains both historical and forward-looking statements.

The forward-looking statements in this Scheme Booklet are not based on historical facts, but rather reflect the current views of Rubik or, in relation to the Temenos Information, Temenos, held only as at the date of this Scheme Booklet concerning future results and events and generally may be identified by the use of forward-looking words or phrases such as “believe”, “aim”, “expect”, “anticipated”, “intending”, “foreseeing”, “likely”, “should”, “planned”, “may”, “estimated”, “potential”, or other similar words and phrases. Similarly, statements that describe Rubik’s and Temenos’ objectives, plans, goals or expectations are or may be forward-looking statements.

The statements in this Scheme Booklet about the impact that the Scheme may have on the results of Rubik’s operations, and the advantages and disadvantages anticipated to result from the Scheme, are also forward-looking statements.

Any forward-looking statements included in the Temenos Information have been made on reasonable grounds. Although Temenos believes that the views reflected in any forward-looking statements included in the Temenos Information have been made on a reasonable basis, no assurance can be given that such views will prove to have been correct.

Any other forward-looking statements included in this Scheme Booklet and made by Rubik have been made on reasonable grounds. Although Rubik believes that the views reflected in any forward-looking statements in this Scheme Booklet (other than the Temenos Information, the information in section 7 and the information in Attachment E) have been made on a reasonable basis, no assurance can be given that such views will prove to have been correct.

These forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors that may cause either Rubik’s or Temenos’ actual results, performance or achievements to differ materially from the anticipated results, performance or achievements expressed, projected or implied by these forward-looking statements. Deviations as to future results, performance and achievements are both normal and to be expected. Rubik Shareholders should note that the historical financial performance of Rubik is no assurance of future financial performance of Rubik (whether the Scheme is implemented or not). Rubik Shareholders should review carefully all of the information included in this Scheme Booklet. The forward-looking statements included in this Scheme Booklet are made only as of the date of this Scheme Booklet. Additionally, statements of the intentions of Temenos reflect its present intentions as at the date of this Scheme Booklet and may be subject to change. Neither Rubik, nor Temenos nor their directors give any representation, assurance or guarantee to Rubik Shareholders that any forward-looking statements will actually occur or be achieved. Rubik Shareholders are cautioned not to place undue reliance on such forward-looking statements.

Subject to any continuing obligations under law or the ASX Listing Rules, Rubik and Temenos do not give any undertaking to update or revise any forward-looking statements after the date of this Scheme Booklet to reflect any change in expectations in relation to those statements or any change in events, conditions or circumstances on which any such statement is based.

Privacy and personal information

Rubik and Temenos may collect personal information to implement the Scheme. The personal information may include the names, contact details and details of holdings of Rubik Shareholders, plus contact details of individuals appointed by Rubik Shareholders as proxies, corporate representatives or attorneys at the Scheme Meeting. The collection of some of this information is required or authorised by the Corporations Act.

Computershare advises that personal information it holds about you (including your name, address, date of birth and details of the financial assets) is collected by Computershare organisations to administer your investment. Personal information is held on the public register in accordance with Chapter 2C of the Corporations Act. Some or all of your personal information may be disclosed to contracted third parties, or related Computershare companies in Australia and overseas. Your information may also be disclosed to Australian government agencies, law enforcement agencies and regulators, or as required under other Australian law, contract, and court or tribunal order. For further details about our personal information handling practices, including how you may access and correct your personal information and raise privacy concerns, visit our website at <https://www.computershare.com/au/privacy-policies> for a copy of the Computershare condensed privacy statement, or contact us by calling +61 (0)3 9415 4000 (within Australia) or 1300 850 505 (free call within Australia) 8.30am to 8.00pm (AEST) Monday to Friday (excluding public holidays) to request a copy of our complete privacy policy.

The information may be disclosed to print and mail service providers, and to Rubik and Temenos and their respective related bodies corporate and advisers to the extent necessary to effect the Scheme. If the information outlined above is not collected, Rubik may be hindered in, or prevented from, conducting the Scheme Meeting or implementing the Scheme effectively or at all. Rubik Shareholders who appoint an individual as their proxy, corporate representative or attorney to vote at the Scheme Meeting should inform that individual of the matters outlined above.

Notice to persons outside Australia

This Scheme Booklet and the Scheme are subject to Australian disclosure requirements, which may be different from the requirements applicable in other jurisdictions. The financial information included in this document is based on financial statements that have been prepared in accordance with Australian equivalents to International Financial Reporting Standards, which may differ from generally accepted accounting principles in other jurisdictions.

This Scheme Booklet and the Scheme do not in any way constitute an offer of securities in any place in which, or to any person to whom, it would not be lawful to make such an offer.

Effect of rounding

A number of figures, amounts, percentages, estimates, calculations of value and fractions in this Scheme Booklet are subject to the effect of rounding. Accordingly, the actual calculation of these figures may differ from the figures set out in this Scheme Booklet.

Times and dates

Unless otherwise stated, all times referred to in this Scheme Booklet are times in Sydney, Australia. All dates following the date of the Scheme Meeting are indicative only and are subject to the Court approval process and the satisfaction or, where applicable, waiver of the conditions precedent to the implementation of the Scheme (see section 3.4 of this Scheme Booklet).

Currency

The financial amounts in this Scheme Booklet are expressed in Australian currency unless otherwise stated. A reference to \$ and cents is to Australian currency, unless otherwise stated.

Date

This Scheme Booklet is dated 24 March 2017.

Contents

Important notices	2
Chairman's Letter	7
Key dates	9
Purpose of this Scheme Booklet	10
Next steps	12
How to vote	13
Frequently asked questions	15
1 Summary of the Scheme	23
2 Rubik Directors' recommendation and matters relevant to your vote on the Scheme	25
3 Implementation of the Scheme	30
4 Information on Rubik	40
5 Information on Temenos	49
6 What if the Scheme is not implemented?	56
7 Taxation implications for Scheme Shareholders	62
8 Additional information	64
9 Glossary	70
Attachment A Notice of Scheme Meeting	
Attachment B Scheme Implementation Deed	
Attachment C Scheme of Arrangement made under section 411 of the Corporations Act	
Attachment D Deed Poll	
Attachment E Independent Expert's Report	
Attachment F Sample Proxy Form	

Chairman's Letter

Friday, 24 March 2017

Dear Rubik Shareholder,

On behalf of the Rubik Financial Limited (**Rubik**) Board, I am pleased to provide this Scheme Booklet, which contains important information relating to the proposed acquisition of Rubik by Temenos Group AG (**Temenos**).

The Scheme

On 15 February 2017, Rubik announced to the ASX that it had entered into a Scheme Implementation Deed with Temenos.

If the Scheme is approved, Temenos (via its subsidiary Temenos Australia) will acquire all of the Rubik Shares through a scheme of arrangement (**Scheme**) for cash consideration of \$0.1667 per Rubik Share.

This Scheme Consideration represents a significant premium of:

- 52% to the closing price of \$0.11 on 14 February 2017, being the last trading day before the announcement of the Scheme;
- 73% to the 30 day VWAP up to and including 14 February 2017;
- 65% to the 90 day VWAP up to and including 14 February 2017;
- 7.55% to the highest Rubik Share price in the 52 week period up to and including 14 February 2017; and
- 93.84% to the lowest Rubik Share price in the 52 week period up to and including 14 February 2017.

Rubik Directors' unanimous recommendation

The Rubik Directors have considered the advantages and disadvantages of the Scheme and unanimously recommend that Rubik Shareholders vote in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert continuing to consider that the Scheme is in the best interests of Rubik Shareholders. Each of the Rubik Directors have an interest in the Scheme as a result of their interest in Rubik Shares, as set out in sections 4.4 and 8.

The Scheme, if implemented, will provide Rubik Shareholders with immediate and significant value without the risks inherent in maintaining a shareholding in Rubik.

If the Scheme does not proceed, Rubik will continue as an entity listed on the ASX and Rubik Shareholders will not receive the Scheme Consideration of \$0.1667 cash per Rubik Share. If the Scheme is not implemented, and no Superior Proposal emerges, the Rubik Directors consider that the price of Rubik Shares may fall, at least in the short term.

Independent Expert's conclusion

The Rubik Directors have commissioned Grant Thornton to prepare an Independent Expert's Report, assessing the Scheme. Grant Thornton has assessed the fair value of a Rubik Share, on a controlling basis, to be in the range of \$0.1146 to \$0.1690 and has concluded that the Scheme is fair and reasonable, and therefore is in the best interests of Rubik Shareholders (in the absence of a Superior

Proposal). The reasons why the Independent Expert reached this conclusion are set out in the Independent Expert's Report, a copy of which is included in Attachment E.

Support from substantial holders

Rubik's three largest shareholders, Viburnum Funds Pty Ltd as manager of Viburnum Funds Pty Ltd ATF VF Strategic Equities Fund, LHC Capital Partners Pty Ltd and Regal Funds Management Pty Ltd, who currently represent approximately 44% of the shares on issue in Rubik, have informed Rubik that they intend to vote the Rubik shares they hold at the time of the Scheme meeting in favour of the Scheme, in the absence of a Superior Proposal and subject to the Rubik Directors maintaining their unanimous recommendation to shareholders to vote in favour of the Scheme.¹

None of these three shareholders has made any commitment to hold or not dispose of their current holdings in Rubik. Their voting power at the time of the Scheme may be more, or less than their current holdings.

Scheme Meeting

The Scheme can only be implemented if it is approved by the Requisite Majorities of Rubik Shareholders at the Scheme Meeting. I urge you to read this Scheme Booklet carefully in its entirety as it contains important information on the Scheme. I strongly encourage you to participate in this important decision for Rubik Shareholders by either attending the Scheme Meeting which will be held at the offices of Rubik at Level 10, 85 Castlereagh Street, Sydney NSW 2000 on Wednesday, 26 April 2017 at 10.00am or, if you are unable to attend in person, by completing the enclosed proxy form.

Further information

If you require further information, please call the Shareholder Information Line on 1300 728 483 (within Australia) or +61 (0)3 9946 4453 (outside Australia) Monday to Friday between 8:30am and 5:00pm (Sydney time).

If you are in any doubt as to what you should do, you should consult your legal, financial or other professional adviser.

Thank you for your ongoing support. I look forward to your participation at the Scheme Meeting.

Yours sincerely



Craig Coleman
Chairman
Rubik Financial Limited

¹ Each of Viburnum Funds Pty Ltd, LHC Capital Partners Pty Ltd and Regal Funds Management Pty Ltd have consented to this statement.

Key dates

Time and Date	Event
10:00am (Sydney time) on Monday, 24 April 2017	Scheme Meeting proxies and powers of attorney – the last date and time by which proxy forms and powers of attorney for the Scheme Meeting must be received by the Registry.
5:00pm (Sydney time) on Monday, 24 April 2017	Meeting Record Date - date and time for determining eligibility to vote at the Scheme Meeting.
10.00am (Sydney time) on Wednesday, 26 April 2017	Scheme Meeting – the Scheme Meeting will be held at offices of Rubik at Level 10, 85 Castlereagh Street, Sydney NSW 2000.
IF RUBIK SHAREHOLDERS APPROVE THE SCHEME AT THE SCHEME MEETING	
Friday, 5 May 2017	Second Court Date to approve the Scheme.
Monday, 8 May 2017	Effective Date – this is the date on which the Scheme comes into effect and is binding on Scheme Shareholders, the Court order is lodged with ASIC and announced on Rubik’s website.
Close of trading on Monday, 8 May 2017	Suspension of trading in Rubik Shares on the ASX. Scheme Shareholders must not dispose of, or purport or agree to dispose of, any Scheme Shares or any interest in them after the Effective Date. If the Scheme proceeds, close of trading on the Effective Date will be the last time that Scheme Shares can be disposed of.
7.00pm (Sydney time) on Monday, 15 May 2017	Scheme Record Date – all Rubik Shareholders who hold Rubik Shares on the Scheme Record Date will be entitled to receive the Scheme Consideration.
Monday, 22 May 2017 (the 5 th Business Day after the Scheme Record Date)	Implementation Date – all Scheme Shareholders will be sent the Scheme Consideration to which they are entitled on this date. Rubik will be removed from the official list of ASX.

All dates following the date of the Scheme Meeting are indicative only and are subject to the Court approval process and the satisfaction or, where applicable, waiver of the conditions precedent to the implementation of the Scheme (see section 3.4 of this Scheme Booklet).

All dates and times, unless otherwise indicated, refer to the date and time in Sydney, Australia. Any changes to the above timetable will be announced to ASX and notified on Rubik’s website at www.rubik.com.au.

Purpose of this Scheme Booklet

On 15 February 2017, Rubik announced that it had entered into a Scheme Implementation Deed to implement the Scheme, under which Temenos would acquire all of the Scheme Shares for \$0.1667 cash per Scheme Share.

The Rubik Directors unanimously recommend, in the absence of a Superior Proposal and subject to the Independent Expert continuing to consider that the Scheme is in the best interests of Rubik Shareholders, that Rubik Shareholders vote in favour of the Scheme Resolution. Subject to the same qualifications, each Rubik Director intends to vote, or cause to be voted, all Rubik Shares in which he has a relevant interest in favour of the Scheme Resolution.

The transaction will be effected via a scheme of arrangement, enabling Rubik Shareholders to vote on the Scheme. If the Scheme is approved by Rubik Shareholders and by the Court and is implemented, Scheme Shareholders will receive the Scheme Consideration (being \$0.1667 cash per Rubik Share).

The purpose of this Scheme Booklet is to explain the terms of the proposed Scheme and provide you with information on the Scheme to assist you in your decision whether or not to vote in favour of the Scheme.

Voting will take place at the Scheme Meeting to be held on Wednesday, 26 April 2017 at the offices of Rubik at Level 10, 85 Castlereagh Street, Sydney NSW 2000 at 10.00am (Sydney time).

You should read this Scheme Booklet in full before deciding how to vote. The Scheme has a number of advantages, disadvantages and risks which may affect Rubik Shareholders in different ways depending on their individual circumstances. Rubik Shareholders should seek professional advice on their particular circumstances, as appropriate.

Reasons to vote in favour of the Scheme

✓	The Rubik 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 consider that the Scheme is in the best interests of Rubik Shareholders
✓	Each Rubik Director intends to vote in favour of the Scheme in respect of all Rubik Shares in which he has a relevant interest, in the absence of a Superior Proposal and subject to the Independent Expert continuing to consider that the Scheme is in the best interests of Rubik Shareholders
✓	The Independent Expert has concluded that, in the absence of a Superior Proposal, the Scheme is in the best interests of Rubik Shareholders
✓	No Superior Proposal has emerged as at the date of this Scheme Booklet
✓	<p>This Scheme Consideration of \$0.1667 cash per Share represents an attractive premium of:</p> <ul style="list-style-type: none">• 52% to the closing price of \$0.11 on 14 February 2017, being the last trading day before the announcement of the Scheme;• 73% to the 30 day VWAP up to and including 14 February 2017;

	<ul style="list-style-type: none"> • 65% to the 90 day VWAP up to and including 14 February 2017; • 7.55% to the highest Rubik Share price in the 52 week period up to and including 14 February 2017; and • 93.84% to the lowest Rubik Share price in the 52 week period up to and including 14 February 2017.
✓	All cash consideration delivers certainty and immediate value for your Rubik Shares
✓	Rubik's share price may fall if the Scheme is not implemented and you will continue to be subject to the risks and uncertainties associated with an investment in Rubik
✓	No brokerage or stamp duty will be payable by you on the transfer of your Rubik Shares under the Scheme

For more information about the reasons to vote in favour of the Scheme, please see section 2.2 of this Scheme Booklet which Rubik Shareholders should read carefully and in its entirety.

Reasons not to vote in favour of the Scheme

✗	You may disagree with the Rubik Directors' recommendation and the opinion of the Independent Expert and consider that the Scheme is not in your best interests
✗	You may prefer to have the opportunity to participate in any potential future value creation that may result from being an Rubik Shareholder
✗	You may believe it is in your best interests to maintain your current investment and risk profile
✗	The tax consequences of the Scheme may not suit your current financial position
✗	You may believe there is the potential for a Superior Proposal to be made in the foreseeable future

For more information about the reasons to vote against the Scheme, please see section 2.3 of this Scheme Booklet which Rubik Shareholders should read carefully and in its entirety.

Next steps

(a) **Carefully read this Scheme Booklet**

This is an important document and you should read it carefully and in its entirety before making a decision on how to vote at the Scheme Meeting.

(b) **Vote on the Scheme**

As a Rubik Shareholder, you are entitled to vote on whether the Scheme should proceed at the Scheme Meeting.

Please refer to the following pages of this Scheme Booklet for details on how to vote at the Scheme Meeting, including by proxy.

(c) **Seek further information**

If you have any questions in relation to the Scheme or the number of Rubik Shares you hold or how to vote, please call the Shareholder Information Line on 1300 728 483 (within Australia) or +61 (0)3 9946 4453 (outside Australia) Monday to Friday between 8:30am and 5:00pm (Sydney time).

If you have any doubts as to the actions you should take or you have further questions, please contact your legal, investment or other professional adviser.

(d) **Why you should vote**

As a Rubik Shareholder, you have a say in whether Temenos will acquire all of the issued shares in Rubik. This is your opportunity to play a role in deciding the future of Rubik.

How to vote

Who is entitled to vote at the Scheme Meeting?

If you are on the Register as a Rubik Shareholder at 5:00pm (Sydney time) on Monday, 24 April 2017 (**Meeting Record Date**), then you will be entitled to attend and vote at the Scheme Meeting.

In the case of Rubik Shares held by joint holders, only one of the joint holders is entitled to vote. If more than one Rubik Shareholder votes in respect of jointly held Rubik Shares, only the vote of the Rubik Shareholder whose name appears first in the Register will be counted in exclusion to the other or others whose name appears in the Register.

Your vote is important

In order for the Scheme to be implemented, the Scheme Resolution must be approved by Rubik Shareholders at the Scheme Meeting by the Requisite Majorities.

For this reason, the Rubik Directors unanimously recommend that you vote in favour of the Scheme Resolution, in the absence of a Superior Proposal and subject to the Independent Expert continuing to consider that the Scheme is in the best interests of Rubik Shareholders.

If you are unable to attend the Scheme Meeting, the Rubik Directors encourage you to complete and return, in the enclosed reply paid envelope, the personalised proxy form that accompanies this Scheme Booklet.

Location and details of Scheme Meeting

The details of the Scheme Meeting are as follows:

Location: Rubik's offices at Level 10, 85 Castlereagh Street, Sydney NSW 2000

Date: Wednesday, 26 April 2017

Time: 10.00am (Sydney time)

Scheme Meeting

A copy of the Notice of Scheme Meeting is set out in Attachment A to this Scheme Booklet.

Section 3.5(b) of this Scheme Booklet provides details of the Scheme Resolution and the Requisite Majorities that are required for the Scheme Resolution to be approved.

Voting in person, by attorney or corporate representative

If you wish to vote in person, you must attend the Scheme Meeting. If you cannot attend the Scheme Meeting, you may vote by proxy by completing the proxy form accompanying this Scheme Booklet.

Attorneys who plan to attend and vote at the Scheme Meeting must provide a copy of the power of attorney and any authority under which the power of attorney was signed to the Registry by no later than 10:00am (Sydney time) on Monday, 24 April 2017 and should bring with them the original or a certified copy of the power of attorney and authority under which they have been authorised to attend

and vote at the Scheme Meeting. Rubik will accept copies of your power of attorney or authority received before 10:00am (Sydney time) on Monday, 24 April 2017.

A body corporate which is a Rubik Shareholder may appoint an individual to act as its corporate representative. The appointment must comply with the requirements of section 250D of the Corporations Act. The representative should bring to the Scheme Meeting evidence of his or her appointment, including any authority under which it is signed.

Voting by proxy

If you wish to appoint a proxy to attend and vote at the Scheme Meeting on your behalf, please complete and sign the personalised proxy form accompanying this Scheme Booklet in accordance with the instructions set out on the proxy form. You may complete the proxy form in favour of the Chairman of the Scheme Meeting or appoint up to two proxies to attend and vote on your behalf at the Scheme Meeting.

TO BE VALID, PROXY FORMS FOR THE SCHEME MEETING MUST BE RECEIVED BY NO LATER THAN 10:00AM (SYDNEY TIME) ON MONDAY 24 APRIL 2017.

Proxy forms, duly completed in accordance with the instructions set out on the proxy form, may be returned to the Registry:

- by posting them in the reply paid envelope provided;
- by faxing them to 1800 783 447 (within Australia) or + 61 (0)3 9473 2555 (outside Australia);
- by posting them to Computershare Investor Services Pty Limited, GPO Box 242, Melbourne, Victoria 3001;
- online via www.investorvote.com.au ;
- by mobile, scan the QR Code on your proxy form and follow the prompts; or
- Custodian Voting, for Intermediary Online subscribers only (custodians) please visit www.intermediaryonline.com to submit your voting intentions.

Frequently asked questions

Question	Answer
Why have I received this Scheme Booklet?	<p>This Scheme Booklet has been sent to you because you are a Rubik Shareholder and Rubik Shareholders are being asked to vote on a Scheme which, if approved, will result in Temenos (via its subsidiary, Temenos Australia) acquiring all Rubik Shares for \$0.1667 cash per Scheme Share.</p> <p>If the Scheme is implemented, you will no longer hold shares in Rubik.</p> <p>This Scheme Booklet is intended to help you to decide how to vote on the Scheme Resolution which needs to be passed at the Scheme Meeting to allow the Scheme to proceed.</p>
What is the Scheme?	<p>The Scheme is a scheme of arrangement between Rubik and Rubik Shareholders. A scheme of arrangement is a statutory procedure under the Corporations Act that is commonly used in Australia for transactions which may result in a change of ownership or control of a company.</p> <p>Rubik is a party to the Scheme Implementation Deed which sets out terms under which the Scheme will be proposed by Rubik to its shareholders. If the Scheme is approved and implemented, Scheme Shareholders will receive the Scheme Consideration for each Scheme Share they own.</p>
Who is Temenos?	<p>Founded in 1993, Temenos is the market leading provider of mission critical software to financial institutions globally with more than 2,000 customers in over 150 countries worldwide.</p> <p>Temenos develops, markets, implements and supports its solutions from its headquarters in Geneva, Switzerland and approximately 60 additional offices in approximately 40 countries throughout the world. Temenos employs approximately 4,400 people.</p> <p>For more information on Temenos, please see section 5 of this Scheme Booklet.</p>
Who is Temenos Australia?	<p>Temenos has appointed Temenos Australia as its “nominee” under the Scheme Implementation Deed. This means that on the Implementation Date, the Scheme Shares will be transferred to Temenos Australia.</p> <p>Temenos Australia is an Australian proprietary company established for the sole purpose of acquiring all of the Rubik Shares if the Scheme is implemented, and it does not currently have any other activities. Temenos Australia was incorporated on 1 March 2017 and is a wholly owned indirect subsidiary of Temenos. Under the Deed Poll, Temenos undertakes in favour of each Scheme Shareholder to procure that Temenos Australia undertakes all actions attributed to it under the Scheme.</p>

Question	Answer
	For more information on Temenos Australia, please see section 5 of this Scheme Booklet.
How will the Scheme be implemented?	<p>In order for the Scheme to be implemented, all Conditions Precedent under the Scheme Implementation Deed must be satisfied or waived (where applicable), including that the Scheme Resolution must be approved by Rubik Shareholders by the Requisite Majorities at the Scheme Meeting and the Scheme must be approved by the Court.</p> <p>Details of the Scheme Resolution and the Requisite Majorities required to approve the Scheme Resolution are set out in section 3.5(b) of this Scheme Booklet.</p>
What will I receive for my Rubik Shares if the Scheme is implemented?	If the Scheme is approved by Rubik Shareholders and by the Court and is implemented, Scheme Shareholders will receive the Scheme Consideration, being \$0.1667 cash, for every Scheme Share.
What do the Rubik Directors' recommend?	The Rubik Directors unanimously recommend that you vote in favour of the Scheme Resolution to approve the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert continuing to consider that the Scheme is in the best interests of Rubik Shareholders.
How are the Rubik Directors intending to vote?	<p>Each of the Rubik Directors intends, in the absence of a Superior Proposal and subject to the Independent Expert continuing to consider that the Scheme is in the best interests of Rubik Shareholders, to vote in favour of the Scheme in respect of all the Rubik Shares in which he has a relevant interest.</p> <p>Each of the Rubik Directors has an interest in the Scheme as a result of their interests in Rubik Shares, as set out in sections 4.4 and 8 of this Scheme Booklet.</p>
What did the Independent Expert conclude?	<p>The Independent Expert considers, in the absence of a Superior Proposal, that the Scheme is in the best interests of Rubik Shareholders.</p> <p>The Independent Expert has estimated the full underlying value of Rubik to be in the range of \$0.1146 and \$0.1690 per Rubik Share.</p> <p>The Independent Expert's Report is included as Attachment E to this Scheme Booklet.</p> <p>The Rubik Directors recommend that you read the Independent Expert's Report carefully and in its entirety.</p>
What will happen if a Superior Proposal emerges?	<p>If Rubik receives a bona fide Competing Proposal, then under the Scheme Implementation Deed the Rubik Directors will (acting in good faith and reasonably), after consultation with their advisors and after receiving advice from Rubik's external legal advisors, determine whether:</p> <ul style="list-style-type: none"> the Competing Proposal is or may reasonably be expected to

Question	Answer
----------	--------

lead to a Superior Proposal; and

- failing to respond to the Competing Proposal would be reasonably likely to constitute a breach of the Rubik Directors' fiduciary and statutory duties.

If the Rubik Directors determine the Competing Proposal to be a Superior Proposal to which the Fiduciary Out applies, certain exclusivity provisions in the Scheme Implementation Deed (being the "no talk" and "no due diligence" restrictions contained in clauses 8.3 and 8.4 and certain obligations contained in clause 8.5 "notice of unsolicited approach" of the Scheme Implementation Deed) will not apply and the Rubik Directors may, among other things, engage in negotiations and enable due diligence investigations in relation to the Superior Proposal to take place.

The Rubik Directors will then determine whether to withdraw, change or modify their recommendation and voting intentions in respect of the Scheme. Before making any such withdrawal, change or modification to their recommendation and voting intentions in respect of the Scheme, the Rubik Directors must allow Temenos to exercise their "matching right" in respect of the relevant Competing Proposal.

A "break fee" will be payable by Rubik to Temenos in certain circumstances where the Rubik Directors withdraw, change or modify their recommendation or voting intentions. See section 3.11 for more information.

Further details of the Scheme Implementation Deed are set out in section 3.10 of this Scheme Booklet.

Since the announcement of the Scheme on 15 February 2017 and up to the date of this Scheme Booklet, no Superior Proposal has emerged.

Does the Scheme have support from Rubik's substantial shareholders?

Rubik's three largest shareholders, Viburnum Funds Pty Ltd as manager of Viburnum Funds Pty Ltd ATF VF Strategic Equities Fund, LHC Capital Partners Pty Ltd and Regal Funds Management Pty Ltd, who currently represent approximately 44% of the shares on issue in Rubik, have informed Rubik that they intend to vote the Rubik shares they hold at the time of the Scheme meeting in favour of the Scheme, in the absence of a Superior Proposal and subject to the Rubik Directors maintaining their unanimous recommendation to shareholders to vote in favour of the Scheme.

None of these three shareholders has made any commitment to hold or not dispose of their current holdings in Rubik. Their voting power at the time of the Scheme may be more, or less than their current holdings.

What are the risks associated with an investment in Rubik if the Scheme does not become

If the Scheme does not become Effective, and no comparable proposal or Superior Proposal emerges, then the Rubik share price may fall or trade at a price below the Scheme Consideration of

Question	Answer
----------	--------

Effective?

\$0.1667 cash per Rubik Share, at least in the near-term.

In addition, Rubik Shareholders will continue to be subject to the specific risks associated with Rubik's business and other general risks (see section 6.3 for details).

SCHEME CONSIDERATION

What is the Scheme Consideration?

If the Scheme is approved by Rubik Shareholders and the Court and is implemented, Scheme Shareholders will receive the Scheme Consideration for each Rubik Share they hold on the Scheme Record Date. The Scheme Consideration is \$0.1667 cash per Scheme Share.

How is Temenos funding the Scheme Consideration?

Temenos will fund the Scheme Consideration payable to all Scheme Shareholders from its existing cash reserves, and may utilise undrawn borrowing capacity under its existing facilities.

More information on Temenos' funding arrangements is set out in section 5.5 of this Scheme Booklet.

Who is entitled to participate in the Scheme?

Persons who hold Rubik Shares on the Scheme Record Date (excluding Temenos and its associates) will participate in the Scheme and, if the Scheme is approved and implemented, those persons will receive the Scheme Consideration in respect of each Scheme Share held on the Scheme Record Date.

When will I receive the Scheme Consideration?

Provided the Scheme is approved and implemented, Rubik Shareholders on the Register on the Scheme Record Date are expected to be sent the Scheme Consideration on the Implementation Date (currently expected to be Monday, 22 May 2017).

What are the tax implications of the Scheme for you?

The tax implications for Scheme Shareholders if the Scheme is approved and implemented will depend on the specific taxation circumstances of each Scheme Shareholder.

General information about the likely Australian tax consequences of the Scheme is set out in section 7 of this Scheme Booklet. You should not rely on those descriptions as advice for your own affairs.

For information about your individual financial or taxation circumstances please consult your financial, legal, taxation or other professional advisor.

Will I have to pay brokerage or stamp duty?

No, you will not have to pay brokerage or stamp duty if your Rubik Shares are acquired under the Scheme.

SCHEME VOTING AND APPROVALS

Are there any conditions that must be satisfied or waived in order for the Scheme to be

Yes, there are.

The Conditions Precedent which remain outstanding as at the date of

Question	Answer
<p>implemented?</p>	<p>this Scheme Booklet are:</p> <ul style="list-style-type: none"> • Court approval of the Scheme; • the Scheme Resolution being passed by the Requisite Majorities (see section 3.5(b) of this Scheme Booklet for further details) at the Scheme Meeting; • no other orders or restraints being issued by any court or any Government Agency preventing the implementation of the Scheme being in place; • no Prescribed Occurrence occurring; and • no Material Adverse Change occurring. <p>The Conditions Precedent to the Scheme are summarised in further detail in section 3.4 of this Scheme Booklet.</p> <p>Rubik Shareholders should also be aware that the Scheme Implementation Deed may be terminated in certain circumstances (details of which are summarised in section 3.8 of this Scheme Booklet). If the Scheme Implementation Deed is terminated, the Scheme will not proceed.</p> <p>As at the date of this Scheme Booklet, the Rubik Directors are not aware of any reason why the Conditions Precedent should not be satisfied or waived.</p>
<p>What happens if these conditions are not satisfied or the Scheme Implementation Deed is terminated?</p>	<p>If the conditions to the Scheme are not satisfied or (where applicable) waived, or the Scheme Implementation Deed is terminated, then the Scheme will not proceed and, as set out in section 6.1 of this Scheme Booklet:</p> <ul style="list-style-type: none"> • Rubik Shareholders will retain their Rubik Shares and they will not be acquired by Temenos Australia; • Rubik Shareholders will not receive the proposed \$0.1667 cash per share Scheme Consideration; • Rubik will, in the absence of another proposal, continue to operate as a stand-alone company listed on ASX and, as such, Rubik Shareholders will be exposed to the risks relating to Rubik's business – refer to section 6.3 for more risk related commentary; and • if no comparable proposal or Superior Proposal emerges, then the Rubik share price may fall or trade at a price below the Scheme Consideration of \$0.1667 cash per Rubik Share, at least in the near-term.
<p>What happens if the Scheme is approved, all conditions are satisfied</p>	<p>If the Scheme becomes Effective, all of the Rubik Shares you hold on the Scheme Record Date (Scheme Shares) will be transferred to Temenos Australia under the Scheme, and you will receive the Scheme Consideration for each Scheme Share you hold on the</p>

Question	Answer
and it is implemented?	Scheme Record Date.
Can the Scheme be terminated?	<p>The Scheme Implementation Deed may be terminated in certain circumstances, details of which are summarised in section 3.8.</p> <p>If the Scheme Implementation Deed is terminated, the Scheme will not proceed.</p>
Am I entitled to vote at the Scheme Meeting?	<p>If you are registered as a Rubik Shareholder on the Register at 5:00pm (Sydney time) on the Meeting Record Date, being Monday, 24 April 2017, then you will be entitled to attend and vote at the Scheme Meeting.</p> <p>Details of the Scheme Meeting and voting are in the Notice of Scheme Meeting set out in Attachment A.</p>
How do I vote?	<p>Voting at the Scheme Meeting may be in person, by attorney, by proxy or, in the case of a corporation, by corporate representative. If you wish to vote in person, you must attend the Scheme Meeting.</p> <p>If you cannot attend the Scheme Meeting in person, you may complete the enclosed personalised proxy forms in accordance with the instructions. The deadline for lodging your proxy form for the Scheme Meeting is 10:00am (Sydney time) on Monday, 24 April 2017.</p> <p>Details of the Scheme Meeting and voting are in the Notice of Scheme Meeting set out in Attachment A.</p>
When and where will the Scheme Meeting be held?	The Scheme Meeting will be held on Wednesday, 26 April 2017 at 10:00am (Sydney time) at the offices of Rubik at Level 10, 85 Castlereagh Street, Sydney NSW 2000.
Is voting compulsory?	<p>Voting is not compulsory. However, the Scheme will only be successful if the Scheme Resolution is approved by the Requisite Majorities of Rubik Shareholders, as a result, voting is important, and the Rubik Directors encourage you to vote.</p> <p>If the Scheme is approved you will be bound by the Scheme whether or not you voted and whether or not you voted in favour of it.</p>
What vote is required to approve the Scheme?	<p>For the Scheme to proceed, the Scheme Resolution must be passed by the Requisite Majorities, being:</p> <ul style="list-style-type: none"> a majority in number (more than 50%) of Rubik Shareholders who are present and voting at the Scheme Meeting, whether in person, by proxy, by attorney or, in the case of corporate Rubik Shareholders, by a corporate representative (noting that the Court may waive this requirement); and at least 75% of the total number of votes cast on the Scheme Resolution at the Scheme Meeting.

Question	Answer
What happens if I do not vote or if I vote against the Scheme?	<p>If you do not vote, or you vote against the Scheme Resolution, the Scheme may not be approved at the Scheme Meeting by the Requisite Majorities of Rubik Shareholders. If this occurs then the Scheme will not proceed, you will not receive the Scheme Consideration and you will remain a Rubik Shareholder.</p> <p>However, even if you did not vote, or you voted against the Scheme Resolution, if the Scheme is nonetheless approved by the Requisite Majorities and the Scheme is implemented, your Rubik Shares will be transferred to Temenos Australia under the Scheme and you will receive the Scheme Consideration for each Rubik Share you hold on the Scheme Record Date whether or not you voted in favour of the Scheme.</p>
When will the results of the Scheme Meeting be available?	<p>The results of the Scheme Meeting will be available shortly after the conclusion of the Scheme Meeting and will be announced to Rubik's website (http://www.rubik.com.au/) and the ASX once available. Even if the Scheme Resolution is passed at the Scheme Meeting by the Requisite Majorities, the Scheme will only proceed if it is subsequently approved by the Court and all of the other conditions precedent are satisfied or waived.</p>
What happens in the event the Scheme is not approved?	<p>If the Scheme is not approved by the Requisite Majorities of Scheme Shareholders at the Scheme Meeting or by the Court, then as set out in section 6 of this Scheme Booklet:</p> <ul style="list-style-type: none"> • Rubik Shareholders will not receive the Scheme Consideration; and • Rubik will continue to operate as an entity listed on the ASX under the current management and subject to the risks detailed in section 6.3.
SCHEME VOTING AND APPROVALS	
Do I have to sign anything to transfer my Rubik Shares?	<p>No. If the Scheme becomes Effective, Rubik will automatically have authority to sign a transfer on your behalf, and the Scheme Consideration will then be paid to you. However, you should be aware that under the Scheme, you are deemed to have provided the warranties to Rubik and Temenos, as summarised in section 3.15 of this Scheme Booklet.</p>
When will Rubik Shares cease trading on the ASX?	<p>Provided the Scheme becomes Effective, Rubik Shares are expected to be suspended from trading on the ASX from the close of trading on the Effective Date (which is currently expected to be Monday, 8 May 2017).</p>
OTHER QUESTIONS	
What will happen to Rubik if the Scheme proceeds?	<p>If the Scheme becomes Effective, Rubik will be owned by Temenos (via its subsidiary, Temenos Australia).</p>

Question	Answer
Will Rubik still be listed on ASX if the Scheme proceeds?	No, if the Scheme becomes Effective, Rubik will be delisted from ASX and be owned by Temenos Australia.
Can I keep my Rubik Shares?	If the Scheme is implemented, your Rubik Shares will be transferred to Temenos Australia. This is the case, even if you did not vote at all, or you voted against the Scheme Resolution at the Scheme Meeting.
Can I sell my Rubik Shares now?	<p>You can sell your Rubik Shares on market at any time before the close of trading on ASX on the Effective Date, at the then prevailing market price (which may vary from the Scheme Consideration). You may be required to pay brokerage.</p> <p>Rubik intends to apply to ASX for Rubik Shares to be suspended from official quotation on ASX from close of trading on the Effective Date (which is currently expected to be Monday, 8 May 2017). You will not be able to sell your Rubik Shares on market after this time.</p>
In what circumstances could Rubik be required to pay a “Break Fee” to Temenos?	Under the Scheme Implementation Deed, Rubik must pay a “Break Fee” of \$700,000 to Temenos if certain events described in section 3.11 occur.

OTHER QUESTIONS

What if I want further information?	If you have any questions about the Scheme, how to vote, or you would like additional copies of this Scheme Booklet, please contact the Shareholder Information Line on 1300 728 483 (within Australia) or +61 (0)3 9946 4453 (outside Australia) Monday to Friday between 8:30am and 5:00pm (Sydney time). For information about your individual financial or taxation circumstances please consult your financial, legal, taxation or other professional advisor.
--------------------------------------------	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

1 Summary of the Scheme

1.1 Scheme

On 15 February 2017, the Rubik Board recommended to Rubik Shareholders a proposal which, if implemented, will deliver to Scheme Shareholders \$0.1667 cash for the acquisition of each Rubik Share pursuant to the Scheme.

This Scheme Booklet outlines the proposal being put to Rubik Shareholders in relation to the Scheme, pursuant to which Temenos (via its subsidiary, Temenos Australia) will, subject to approval by Rubik Shareholders and the Court, acquire all of the Rubik Shares on issue for cash consideration of \$0.1667 per Rubik Share.

1.2 Conditions precedent

The Scheme is subject to a number of conditions precedent. The following conditions precedent are outstanding as at the date of this Scheme Booklet:

- (a) **(Court approval)** The Court approves the Scheme in accordance with section 411(4)(b) of the Corporations Act.
- (b) **(Shareholder approval)** Rubik Shareholders approve the Scheme at the Scheme Meeting by the Requisite Majorities.
- (c) **(No Restraints)** Before and as at 8.00am on the Second Court Date:
 - (i) there is not in effect any temporary restraining order, preliminary or permanent injunction or other preliminary or final decision, order or decree issued by any court of competent jurisdiction or by any Government Agency, nor is there in effect any other legal restraint or prohibition; and
 - (ii) no action or investigation is announced or commenced by any Government Agency,

which restrains, prohibits, impedes or otherwise impacts upon (or could reasonably be expected to restrain, prohibit or otherwise materially adversely impact upon) the completion of the Scheme.

- (d) **(No Prescribed Occurrence)** No Prescribed Occurrence occurs between the date of the Scheme Implementation Deed and 8.00am on the Second Court Date; and
- (e) **(No Material Adverse Change)** No Material Adverse Change occurs between the date of the Scheme Implementation Deed and 8.00am on the Second Court Date.

The conditions of the Scheme are set out in clause 3 of the Scheme Implementation Deed, which is Attachment B to this Scheme Booklet.

1.3 Implementation of the Scheme

The Scheme is proposed to be undertaken pursuant to a Court approved scheme of arrangement. A scheme of arrangement is a legal arrangement that shareholders vote on and, if the Requisite Majorities of shareholders vote in favour of it and it is approved by the Court, it binds the company and all of its shareholders upon the Court orders approving the scheme of arrangement being lodged with ASIC.

Approval of a scheme of arrangement requires a 50% majority of the number of shareholders voting (unless the Court orders otherwise) and a 75% majority of the total votes cast being in favour of the scheme, as well as approval by the Court.

The Scheme will become binding on Rubik and Rubik Shareholders only if the Conditions Precedent to the Scheme are satisfied or waived.

1.4 If the Scheme is approved

If the Scheme is approved and implemented and you remain a Rubik Shareholder as at the Scheme Record Date, each of your Rubik Shares will be acquired by Temenos Australia for cash consideration of \$0.1667 per Rubik Share. This is the case, even if you did not vote, or did not vote in favour of the Scheme.

2 Rubik Directors' recommendation and matters relevant to your vote on the Scheme

2.1 Recommendation

The Rubik Directors at the date of this Scheme Booklet are Craig Evan Coleman, Andrew Graeme Moffat, John Clark Wilson and Peter Graham Clare.

The Rubik Directors unanimously recommend that Rubik Shareholders vote in favour of the Scheme Resolution in the absence of a Superior Proposal and subject to the Independent Expert continuing to consider that the Scheme is in the best interests of Rubik Shareholders.

Subject to the same qualifications, each Rubik Director intends to vote their Rubik Shares in favour of the Scheme (the shareholdings of each Director are set out in sections 4.4 and 8).

Each of the Rubik Directors have an interest in the Scheme as a result of their interests in Rubik Shares, as set out in sections 4.4 and 8.

2.2 Reasons why Rubik Shareholders may consider voting for the Scheme Resolution

(a) Independent Expert's Opinion

Rubik appointed Grant Thornton to prepare an Independent Expert's Report, including an opinion as to whether the Scheme is in the best interests of Rubik Shareholders.

The Independent Expert has concluded that the Scheme is, in the absence of a Superior Proposal, fair and reasonable and in the best interests of Rubik Shareholders.

A complete copy of the Independent Expert's Report is included in Attachment E to this Scheme Booklet. The Rubik Directors encourage Rubik Shareholders to read the Independent Expert's Report carefully and in its entirety.

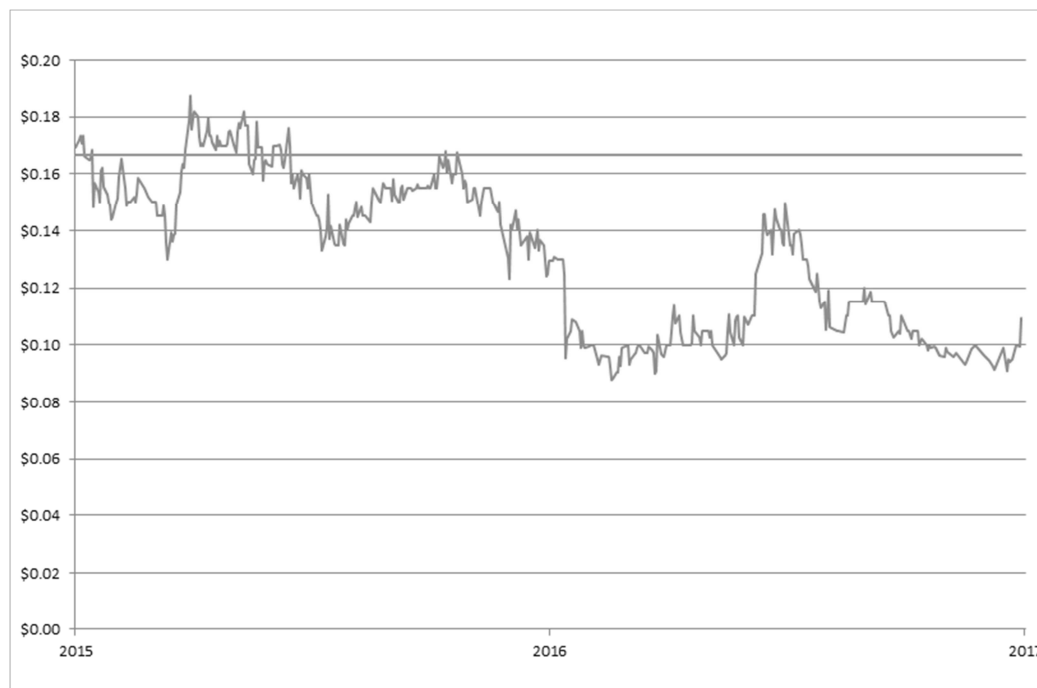
(b) **The total cash payments of \$0.1667 per Share represent an attractive premium over the recent relevant trading of Rubik Shares**

As depicted in Figure 1, the Scheme Consideration of \$0.1667 cash per Share represents a significant premium of:

- 52% to the closing price of \$0.11 on 14 February 2017, being the last trading day before the announcement of the Scheme;
- 73% to the 30 day VWAP up to and including 14 February 2017;
- 65% to the 90 day VWAP up to and including 14 February 2017;
- 7.55% to the highest Rubik Share price in the 52 week period up to and including 14 February 2017; and
- 93.84% to the lowest Rubik Share price in the 52 week period up to and including 14 February 2017.

Figure 1: Implied Scheme Consideration premium to closing price of Rubik Shares on 14 February 2017

The diagram below depicts the premium of Scheme Consideration to historical trading prices of Rubik Shares on and prior to 14 February 2017, being the last trading day before the announcement of the Scheme. The bold line represents the Scheme Consideration of \$0.1667 cash per Scheme Share.



The closing price of Rubik shares on the ASX on the Last Practicable Trading Date was \$0.16, being a discount of 4.02% to the Scheme Consideration of \$0.1667 cash per Scheme Share.

(c) The Scheme Consideration delivers certainty and immediate value for your Rubik Shares

The Scheme Consideration offered to Scheme Shareholders is 100% cash. If the Scheme is implemented, Scheme Shareholders will receive the Scheme Consideration, per Rubik Share held on the Scheme Record Date, in cash.

The Scheme provides an opportunity for Scheme Shareholders to sell their Rubik Shares and represents certainty and immediate value for Rubik Shareholders. The certainty of the Scheme Consideration should be compared against the risks and uncertainties of remaining a Rubik Shareholder, which include, but are not limited to the risks set out in section 6.3.

(d) No Superior Proposal has emerged as at the date of this Scheme Booklet

From the announcement of the Scheme Implementation Deed on 15 February 2017 to the date of this Scheme Booklet, no Superior Proposal has emerged.

(e) The Scheme allows you to sell your entire shareholding in Rubik Shares

The Scheme provides you with an opportunity to dispose of all your Rubik Shares in a single transaction for certain cash value.

(f) **The price of Rubik Shares may fall, at least in the short term, if the Scheme is not implemented**

The last sale price on 14 February 2017, being the trading day before Rubik announced it had entered into the Scheme Implementation Deed, was \$0.11 per Rubik Share. Since this date, Rubik's share price has increased \$0.05 up to \$0.16 on the Last Practicable Trading Date.

There are many factors that affect the Rubik Share price, however, the Rubik Directors consider that in the absence of the implementation of the Scheme and in the absence of a Superior Proposal, or speculation regarding an alternative proposal, Rubik's Share price may fall below current levels (although these levels cannot be predicted with any degree of certainty).

This view is also held by the Independent Expert, who stated on page 8 of the Independent Expert's letter to the Rubik Directors, contained in Attachment E:

"In the absence of the Proposed Transaction or an alternative transaction, all other things being equal, it is likely that Rubik Shares will trade at prices below the Offer Price and it is expected to fall from the existing level."

Since December 2015, Rubik Shares have not traded at a price above the Scheme Consideration. Please see Figure 1 above for the 2-year trading price of Rubik Shares.

(g) **If the Scheme does not proceed you will continue to be subject to the risks and uncertainties associated with Rubik's business and general market risks**

If the Scheme does not proceed, the future trading price of Rubik Shares will continue to be subject to any market volatility versus the certainty of value of the cash payment of \$0.1667 for each Scheme Share being offered under the Scheme.

The amount which Rubik Shareholders will be able to realise for the Rubik Shares in terms of price and future dividends, will necessarily be uncertain and subject to a number of risks outlined in section 6.3. Among other things, this will be subject to the performance of Rubik's business from time to time, general economic conditions and movements in the share market.

There is a risk that should the Scheme not be implemented, Rubik may be required to undertake a dilutive capital raising in order to fund its working capital requirements and repay existing external loans, including the Viburnum Loan. This view is supported by the Independent Expert at page 7 of its letter to the Rubik Directors, which is included in Attachment E.

The Scheme removes these risks and uncertainties for Rubik Shareholders and allows Rubik Shareholders to exit their investment in Rubik at a price that the Rubik Directors consider to be attractive.

(h) **No brokerage or stamp duty will be payable by you on the transfer of your Rubik Shares**

You will not incur any brokerage or stamp duty on the transfer of your Rubik Shares to Temenos Australia under the Scheme.

2.3 Reasons why Rubik Shareholders may consider voting against the Scheme Resolution

Although the Rubik Directors unanimously recommend that you vote in favour of the Scheme Resolution in the absence of a Superior Proposal, and subject to the Independent Expert continuing to consider that the Scheme is in the best interests of Rubik Shareholders, factors which may lead Rubik Shareholders to vote against the Scheme include:

(a) You may disagree with the Rubik Directors and the opinion of the Independent Expert and consider that the Scheme is not in your best interests

Despite the recommendation of the Rubik Directors and the opinion of the Independent Expert that the Scheme is, in the absence of a Superior Proposal, in the best interests of Rubik Shareholders, you may believe that the Scheme is not in your best interests or that of other Rubik Shareholders.

(b) You may prefer to have the opportunity to participate in any potential future value creation that may result from being a Rubik Shareholder

If the Scheme is approved and implemented, it is expected to complete by Monday, 22 May 2017. This time-frame may not be consistent with your investment objectives and you may consider that your Rubik Shares have greater value over the longer term.

You may consider that Rubik has stronger long-term growth potential and that the Scheme Consideration does not fully reflect your views on long-term value.

Rubik has a number of longer term R&D projects currently underway, including the transformation of current individual products in to integrated solution platforms and the development of Rubik's model bank platform (in conjunction with Temenos). The projects have been embarked upon because Rubik believes they have the opportunity to create significant value for shareholders over the medium to long term, however the projects are in their early stages and the realisation of their value is subject to various risks, including risks related to the successful execution of management's strategies.

You may therefore prefer to retain your listed Rubik Shares and realise the value of your Rubik Shares over the longer term.

If the Scheme is implemented, you will no longer be a Rubik Shareholder. This will mean that you will not participate in any potential upside that may result, including any appreciation in the value of Rubik or the right to any potential future dividends in respect of Rubik Shares. You will also cease to have the right to influence the future direction of Rubik as you will no longer have voting rights in the company.

(c) You may believe it is in your best interests to maintain your current investment and risk profile

You may wish to keep your Rubik Shares as you may want to preserve your investment in a company with the specific characteristics of Rubik. In particular, you may consider that, despite the risk factors relevant to Rubik's potential future operations (including those set out in section 6.3 of this Scheme Booklet), Rubik may be able to return greater value from its assets by retaining its current ownership structure or seeking alternative commercialisation strategies.

(d) The tax consequences of the Scheme may not suit your current financial position

Implementation of the Scheme may result in financial consequences which are not favourable for you. For example, it may trigger a CGT liability to the extent the Scheme Consideration received by you exceeds the tax cost base of your Rubik Shares, or the timing of the disposal may not result in an optimal CGT holding period outcome for you, depending on when you acquired your Rubik Shares.

Rubik Shareholders should read the general taxation considerations outlined in section 7 of this Scheme Booklet and seek professional taxation advice with respect to their individual tax situation.

(e) **You may believe that there is potential for a Superior Proposal to be made in the foreseeable future**

You may believe that there is potential for a Superior Proposal to be made in the foreseeable future. Since the initial announcement of entry into the Scheme Implementation Deed on 14 February 2017 to the date of this Scheme Booklet, no Superior Proposal has been received by the Rubik Directors.

3 Implementation of the Scheme

3.1 Background

On 14 February 2017, Rubik entered into a Scheme Implementation Deed to implement the Scheme, under which Temenos would acquire all of the Scheme Shares for \$0.1667 cash per Scheme Share. The Rubik Directors unanimously recommend, in the absence of a Superior Proposal and subject to the Independent Expert continuing to consider that the Scheme is in the best interests of Rubik Shareholders, that Rubik Shareholders vote in favour of the Scheme. Subject to the same qualifications, each Rubik Director intends to vote all Rubik Shares in which he has a relevant interest in favour of the Scheme.

3.2 Scheme Consideration

If the Scheme becomes Effective, all Scheme Shares will be transferred to Temenos and Temenos Australia will provide the Scheme Consideration per Scheme Share to the Scheme Shareholders, and in the manner set out in section 3.6.

3.3 Implementation of the Scheme

The Scheme is proposed to be implemented as a Court approved scheme of arrangement. A scheme of arrangement is a statutory procedure under the Corporations Act that is commonly used in Australia for transactions which may result in a change of ownership or control of a company.

The Scheme is a legal arrangement that shareholders vote on and, if the Requisite Majorities of shareholders vote in favour of it and the Scheme is approved by the Court, binds Rubik and all of Rubik Shareholders upon the Court order approving the scheme of arrangement being lodged with ASIC.

The Scheme will become binding on Rubik and Rubik Shareholders only if the Conditions Precedent to the Scheme are satisfied or waived.

3.4 Conditions precedent

The Scheme is subject to a number of Conditions Precedent. The following Conditions Precedent are outstanding as at the date of this Scheme Booklet:

- (a) **(Court approval)** the Scheme is approved by the Court in accordance with section 411(4)(b) of the Corporations Act.
- (b) **(Shareholder approval)** the Scheme is approved by Rubik Shareholders at the Scheme Meeting by the Requisite Majorities.
- (c) **(Restraints)** before and as at 8:00am on the Second Court Date:
 - (i) there is not in effect any temporary restraining order, preliminary or permanent injunction or other preliminary or final decision, order or decree issued by any court of competent jurisdiction or by any Government Agency, nor is there in effect any other legal restraint or prohibition; and
 - (ii) no action or investigation is announced or commenced by any Government Agency,

which restrains, prohibits, impedes or otherwise materially adversely impacts upon (or could reasonably be expected to restrain, prohibit or otherwise materially adversely impact upon) the completion of the Scheme.

- (d) **(No Prescribed Occurrence)** no Prescribed Occurrence occurs between the date of the Scheme Implementation Deed (14 February 2017) and 8:00am on the Second Court Date.
- (e) **(No Material Adverse Change)** no Material Adverse Change occurs between the date of the Scheme Implementation Deed (14 February 2017) and 8:00am on the Second Court Date.

The Conditions Precedent of the Scheme are set out in clause 3.1 of the Scheme Implementation Deed.

3.5 Steps for implementing the Scheme

(a) Preliminary Steps

Rubik and Temenos entered into the Scheme Implementation Deed on 14 February 2017, pursuant to which, among other things, Rubik agreed to propose the Scheme to its shareholders.

Temenos has executed the Deed Poll pursuant to which Temenos, subject to the Scheme becoming Effective, agrees to provide to each Scheme Shareholder the Scheme Consideration to which each Scheme Shareholder is entitled under the terms of the Scheme.

A copy of the proposed Scheme is set out in Attachment C to this Scheme Booklet.

A copy of the proposed Deed Poll is set out in Attachment D to this Scheme Booklet.

(b) Scheme Meeting

The Court has ordered that the Scheme Meeting be held on Wednesday, 26 April 2017 at 10.00am (Sydney time) at the offices of Rubik at Level 10, 85 Castlereagh Street, Sydney NSW 2000 for the purposes of approving the Scheme Resolution.

The Notice of Scheme Meeting for Rubik Shareholders which sets out the Scheme Resolution is included in Attachment A to this Scheme Booklet.

Each Rubik Shareholder who is registered on the Register at 5:00pm (Sydney time) on Monday, 24 April 2017 is entitled to attend and vote at the Scheme Meeting, either in person or by proxy or attorney or in the case of a body corporate, by its corporate representative appointed in accordance with section 250D of the Corporations Act.

Instructions on how to attend and vote at the Scheme Meeting in person, or to appoint a proxy to attend and vote on your behalf, are set out on pages 13 and 14 of this Scheme Booklet.

The Scheme Resolution must be approved by the Requisite Majorities, being:

- more than 50% of Rubik Shareholders present and voting at the Scheme Meeting (whether in person, by proxy, by attorney or, in the case of corporate Rubik Shareholders, by a corporate representative) (the **Headcount Test**); and

- at least 75% of the total number of votes cast on the Scheme Resolution by Rubik Shareholders at the Scheme Meeting.

The Court has the power to waive the Headcount Test.

(c) Second Court Hearing

In the event that:

- the Scheme Resolution is approved by the Requisite Majorities of Rubik Shareholders at the Scheme Meeting; and
- all Conditions Precedent to the Scheme have been satisfied or remain capable of being satisfied, or waived (if applicable),

Rubik will apply to the Court for an order approving the Scheme.

(d) Effective Date

If the Court makes orders approving the Scheme, Rubik will lodge with ASIC an office copy of the Court order given under section 411(4)(b) of the Corporations Act approving the Scheme. It is anticipated that this will occur on the Business Day immediately following the Second Court Date.

Once the Scheme becomes Effective:

- Temenos will become bound to pay Scheme Shareholders the Scheme Consideration on the Implementation Date; and
- subject to payment of the Scheme Consideration as referred to below in section 3.6(a) of this Scheme Booklet, Rubik will be bound to take the steps required for Temenos Australia to become the registered holder of all Rubik Shares.

3.6 Implementation of the Scheme - payment of Scheme Consideration

On the Implementation Date, currently anticipated to be Monday, 22 May 2017, the Scheme will be implemented by Rubik and Temenos undertaking the following steps.

(a) Deposit of aggregate Scheme Consideration by Temenos

By close of business on the Business Day before the Implementation Date, Temenos will deposit (or will procure the deposit of) the aggregate of the Scheme Consideration payable to all Scheme Shareholders in cleared funds to an account with an Australian authorised deposit-taking institution nominated by Rubik to be held on trust by Rubik for Scheme Shareholders.

(b) Transfer of all Rubik Shares to Temenos Australia

Subject to payment of the Scheme Consideration by Temenos as referred to in section 3.6(a), all of the Scheme Shares will be transferred to Temenos Australia by Rubik and Rubik will enter the name of Temenos Australia in the Register in respect of all Scheme Shares.

(c) Payment of Scheme Consideration

On the Implementation Date, Rubik will, out of the trust account referred to in section 3.6(a), pay to each Scheme Shareholder the Scheme Consideration attributable to that Scheme Shareholder.

The Scheme Consideration will be paid by Rubik by either:

- sending a cheque for the Scheme Consideration that you are entitled to receive under the Scheme to your address shown in the Register as at the Scheme Record Date; or
- making a payment to your nominated bank account with the Registry as at the Scheme Record Date.

If you have not previously notified the Registry of your nominated bank account or you would like to change your existing nominated bank account, you should contact the Registry on 1300 728 483 (within Australia) or +61 (0)3 9946 4453 (outside Australia) before the Scheme Record Date.

If a Scheme Shareholder has not nominated a bank account and their whereabouts are unknown as at the Scheme Record Date or if a cheque properly dispatched by or on behalf of Temenos is returned to Rubik as undelivered, or the cheque is not presented by a Scheme Shareholder earlier than 6 months after the Implementation Date, the Scheme Consideration will be paid into a separate bank account and held by Rubik until claimed or applied under laws dealing with unclaimed money. If you wish to confirm your current address details with the Registry, you may do so using the contact details above.

3.7 Determination of persons entitled to Scheme Consideration

(a) Dealings on or prior to the Scheme Record Date

For the purpose of establishing the identity of the Scheme Shareholders, dealings in Rubik Shares will only be recognised if:

- in the case of dealings of the type to be effected using CHESS, the transferee is registered in the Register as a holder of the relevant Rubik Shares on or before the Scheme Record Date; and
- in all other cases, registrable transfers or transmission applications are received at the place where the Register is maintained on or before the Scheme Record Date (in which case, Rubik must register such transfers or transmission applications on or before the Scheme Record Date).

Rubik will not accept for registration nor recognise for the purpose of establishing the identity of the Scheme Shareholders any transmission application or transfer in respect of Rubik Shares received on or after the Scheme Record Date or received prior to the Scheme Record Date and not in registrable form.

(b) Dealings after the Scheme Record Date

For the purposes of determining entitlements to Scheme Consideration, Rubik will, until the Scheme Consideration has been paid to Scheme Shareholders and the name and address of Temenos Australia has been entered in the Register as the holder of all the Rubik Shares, maintain the Register in accordance with the terms of the Scheme, and the Register in this form will solely determine entitlements to the Scheme Consideration.

As from 5.00pm (Sydney time) on the Scheme Record Date, each entry currently on the Register will cease to be of any effect other than as evidence of entitlement to the Scheme Consideration in respect of the Rubik Shares relating to that entry.

Any share certificates or statements of holding in respect of Rubik Shares shall, from the Scheme Record Date, cease to have any effect as documents of evidence of title in respect of such Rubik Shares.

3.8 Termination rights

Termination rights are set out in clause 12 of the Scheme Implementation Deed, which is Attachment B to this Scheme Booklet.

In summary:

- (a) Temenos may terminate the Scheme Implementation Deed if any Rubik Director withdraws, adversely changes or makes any public statement that is inconsistent with his recommendation that Rubik Shareholders vote in favour of the Scheme or his own intention to vote in favour of the Scheme, or recommends, endorses or supports a Competing Proposal.
- (b) Temenos may terminate the Scheme Implementation Deed if Rubik voluntarily enters into any agreement or arrangement in relation to the implementation of any Competing Proposal.
- (c) Temenos may terminate if, at the time they were made, any of Rubik's representations and warranties in the Scheme Implementation Deed were not true and accurate in all material respects (provided that the relevant breach has not been rectified within 10 Business Days of Temenos notifying Rubik (or any shorter period ending at 5.00pm (Sydney time) on the Business Day before the Second Court Date) and would result in a Material Adverse Change or be material on the context of the Scheme as a whole).
- (d) Temenos may terminate if Rubik materially breaches the exclusivity provisions in the Scheme Implementation Deed (see section 3.10 of this Scheme Booklet for more information).
- (e) Temenos may terminate if a Material Adverse Change occurs, or a Prescribed Occurrence occurs that has or could reasonably be expected to have a material adverse effect on the Rubik Group.
- (f) Rubik may terminate the deed if the Rubik Directors publicly withdraws or adversely change their recommendation in section 2.1 of the Scheme Booklet, or publicly recommend a Competing Proposal (after Temenos' matching rights described in section 3.10(e) below have been exhausted).
- (g) Either party may terminate the agreement if a condition precedent has not been satisfied or waived and the parties are unable to agree on a proposed course of action within 10 Business Days of either party notifying the other.
- (h) Either party may terminate the agreement if the other party commits a material breach of the deed, or there is a breach of a representation or warranty given by that party under the Scheme Implementation Deed which is not rectified within 10 Business Days of either party notifying the other (or any shorter period ending at 5.00pm (Sydney time) on the Business Day before the Second Court Date).
- (i) The parties may terminate the deed by mutual agreement.

3.9 Notified Claim and Material Adverse Change

The Material Adverse Change definition in the Scheme Implementation Deed contained a carve-out, such that a pre-existing dispute relating to the SSA which could have given rise to litigation against Rubik (the **Notified Claim**) would not trigger a Material Adverse Change unless the circumstances surrounding the Notified Claim changed (contemplated under the Scheme Implementation Deed as a “Claim Change”). Even then, a Material Adverse Change would only have been triggered if potential losses for Rubik could have significantly exceeded agreed thresholds, beyond those contemplated in the other limbs of the definition of Material Adverse Change.

As disclosed in Rubik’s 1H FY2017 results, announced to the ASX on 27 February 2017, Rubik settled with the other parties to the Notified Claim shortly prior to entry into the Scheme Implementation Deed. The parties reached agreement for a final earn-out payment of \$2 million in full consideration of any and all claims under the terms of the SSA. The \$2 million payment corresponded with a provision disclosed in Rubik’s consolidated statements of financial position for 31 December 2016 (see section 4.7(b) of the Scheme Booklet) and represented Rubik’s estimate of the potential earn-out payable under the SSA. For this reason, the carve out to the Material Adverse Change termination right in the Scheme Implementation Deed relating to the Notified Claim will not be a relevant carve-out to the general Material Adverse Change test. For the same reason, it is unlikely that the Notified Claim itself would meet the general Material Adverse Change test.

Similarly, paragraph (b) of the definition of Material Adverse Change will not be triggered, as that paragraph related to a situation in which the Rubik Group’s financial results for the financial half-year ended 31 December 2016 reported revenue or consolidated earnings before interest, tax, depreciation and amortisation of the Rubik Group lower than certain agreed thresholds. Rubik’s 1H FY2017 results, announced to the ASX on 27 February 2017, were above those thresholds.

3.10 Exclusivity

Under the Scheme Implementation Deed, Rubik is subject to exclusivity obligations including no-shop, no-talk, no due diligence, notification obligations and matching rights in respect of Competing Proposals. These provisions are set out in clause 8 of the Scheme Implementation Deed which is Attachment B to this Scheme Booklet.

In summary, from the date of the Scheme Implementation Deed until the earlier of the termination of the Scheme Implementation Deed and 14 August 2017 (**Exclusivity Period**):

- (a) **(No-shop)** Rubik must not, and must ensure that its representatives do not, directly or indirectly:
 - (i) solicit, invite, encourage, respond to or initiate any Competing Proposal;
 - (ii) respond to or facilitate any enquiries, negotiations or discussions with any third party in relation to, or that may reasonably be expected to lead to, a Competing Proposal;
 - (iii) enter into any letter of intent, memorandum of understanding or other agreement regarding, any inquiries or proposals concerning, or participate in any discussions or negotiations with any person (other than Temenos) concerning, or enter into or agree to, a Competing Proposal; or
 - (iv) communicate any intention to do any of these things.

- (b) **(No-talk)** Rubik must not, and must ensure that its representatives do not, directly or indirectly, negotiate or enter into or participate in negotiations or discussions with any person (or communicate any intention to do so) in relation to, or that may reasonably be expected to lead to, a Competing Proposal, even if:
 - (i) the Competing Proposal was not directly or indirectly solicited, invited, encouraged or initiated by Rubik; or
 - (ii) that person has publicly announced the Competing Proposal.

Rubik's obligations described above do not apply to the extent they restrict Rubik or its representatives from taking or refusing to take any action with respect to a genuine Competing Proposal (which was not encouraged, solicited, invited or initiated by Rubik or its representatives) if the Rubik Directors determine, in good faith and acting reasonably, after consultation with their advisers, that the competing Proposal is a Superior Proposal or the steps which the Rubik Directors propose to take may reasonably be expected to lead to a Superior Proposal, and after receiving written legal advice from Rubik's external legal advisors, that failing to respond to the Competing Proposal would be reasonably likely to constitute a breach by the Rubik Board of their fiduciary or statutory duties (the **Fiduciary Out**).

- (c) **(No due diligence)** Subject to the Fiduciary Out, Rubik must not, and must ensure that its representatives do not, whether directly or indirectly, in relation to a Competing Proposal:
 - (i) solicit, invite, facilitate or encourage any party (other than Temenos and its representatives) to undertake due diligence investigations on any member of the Rubik Group or their businesses or operations; or
 - (ii) make available to any person or permit any such person to receive, any non-public information relating to the Rubik Group or their businesses or operations.
- (d) **(Notification obligation)** Rubik must inform Temenos within 2 Business Days if Rubik (or any of its representatives):
 - (i) receives any unsolicited approach with respect to any Competing Proposal;
 - (ii) receives any request for information relating to, or any request for access to the books and records of, Rubik or any of its Related Bodies Corporate or any of their businesses or operations, which Rubik has reasonable grounds to suspect may relate to a current or future Competing Proposal; and
 - (iii) provides any information relating to Rubik or any of its Related Bodies Corporate or any of their businesses or operations to any person in connection with or for the purposes of a current or future Competing Proposal.

In relation to paragraph (i) above, Rubik must disclose to Temenos:

- (iv) the fact that such an approach has been made;
- (v) all material terms of the Competing Proposal; and
- (vi) subject to the Fiduciary Out, the identity of the proposed bidder or acquirer; and

- (e) **(Matching rights)** Rubik must not enter into any agreement or arrangement to give effect to or in relation to or in connection with the implementation of a Competing Proposal and must use its best endeavours to procure that no Rubik Director withdraws, change, or modified their recommendation or voting intention, or publicly recommend, endorse or support a Competing Proposal, unless:
 - (i) it is a Superior Proposal;
 - (ii) Rubik has provided Temenos with written notice of the material terms and conditions of the consideration, conditions, structure and other key terms of the Competing Proposal;
 - (iii) Rubik has given Temenos 3 Business Days to put forward a matching or superior counter-proposal; and
 - (iv) Temenos has not provided a matching or superior counter proposal which the Rubik Board, acting in good faith, determines would result in an outcome more favourable or no less favourable for Rubik Shareholders as a whole than would result from the relevant Competing Proposal by the expiry of the 3 Business Day period.

3.11 Break fee

The Rubik Break Fee provisions are set out in clause 9 of the Scheme Implementation Deed which is Attachment B to this Scheme Booklet.

In summary, Rubik is liable to pay Temenos a break fee of \$700,000 (excluding GST), being approximately 1% of the total Scheme Consideration if:

- (a) a third party makes or announces a Competing Proposal before 14 August 2017 (or the earlier termination of the Scheme Implementation Deed) and completes, implements or consummates such a transaction within 9 months of the announcement;
- (b) Temenos becomes entitled to terminate the Scheme Implementation Deed due to a material breach by Rubik of the Scheme Implementation Deed which is not rectified within 10 Business Days of Temenos notifying Rubik (or any shorter period ending at 5.00pm (Sydney time) on the Business Day before the Second Court Date) and the breach constitutes a Material Adverse Change or is material in the context of the Scheme taken as a whole;
- (c) Temenos becomes entitled to terminate the Scheme Implementation Deed where Rubik has voluntarily entered into an agreement or arrangement in relation to the implementation of any Competing Proposal;
- (d) Temenos becomes entitled to terminate the Scheme Implementation Deed where Rubik has breached the exclusivity provisions in the Scheme Implementation Deed (see section 3.10 of this Scheme Booklet for more information);
- (e) Temenos becomes entitled to terminate the Scheme Implementation Deed because a Material Adverse Change or Prescribed Occurrence occurs that has or could reasonably be expected to have a material adverse effect on the Rubik Group, and the relevant event, matter, circumstance or occurrence was within Rubik's control;
- (f) Temenos becomes entitled to terminate the Scheme Implementation Deed because at the time they were made, any of Rubik's representations and

warranties in the Scheme Implementation Deed were not true and accurate in all material respects (provided that the relevant breach would result in a Material Adverse Change or be material on the context of the Scheme as a whole) and the relevant breach or circumstances have not been remedied for 10 Business Days of Temenos notifying Rubik of the breach and stating an intention to terminate the deed or to allow the Scheme to lapse or any shorter period ending at 5.00pm on the Business Day before the Second Court Date. A Rubik Break Fee will only be payable in these circumstances if the relevant event, matter, circumstance or occurrence giving rise to the breach of the representation or warranty was known by Rubik (but not known by Temenos) at the date of the Scheme Implementation Deed, was within the control of Rubik, or was a result of a deliberate failure of Rubik to take reasonable steps to prevent the event, matter, circumstance or occurrence; or

- (g) Temenos becomes entitled to terminate the Scheme Implementation Deed because a Rubik Director withdraws, adversely changes or makes any public statement that is inconsistent with his recommendation that Rubik Shareholders vote in favour of the Scheme or his own voting intention, or recommends, endorses or supports a Competing Proposal, except where the Independent Expert concludes that the Scheme is not in the best interests of Rubik Shareholders and that conclusion is not based wholly or partly on the existence of a Competing Proposal).

The maximum liability of Rubik to Temenos under or in connection with the Scheme Implementation Deed is an amount equal to the Rubik Break Fee – that is, \$700,000.

3.12 Deed poll

Temenos has executed the Deed Poll, pursuant to which it has undertaken in favour of each Scheme Shareholder to provide the Scheme Consideration to which the Scheme Shareholders are entitled under the Scheme, subject to the Scheme becoming Effective.

A copy of the Deed Poll is contained in Attachment D.

3.13 End Date

If the Scheme has not become Effective on or before the date that is 6 months after the date of the Scheme Implementation Deed (or such later date as the parties agree), the parties must consult in good faith to reach an agreement with respect to an extension of the end date. If the parties are unable to reach such agreement within 10 Business Days after either party providing written notice seeking consultation, either Rubik or Temenos is able to terminate the Scheme Implementation Deed. If the Scheme Implementation Deed is terminated, the Scheme will not proceed.

3.14 Copy of Register

Under sections 169 and 173 of the Corporations Act, any Rubik Shareholder has a right to inspect, and to ask for a copy of, the Register which contains details of the name and address of each Rubik Shareholder. Rubik may require a Rubik Shareholder to provide reasons for their request prior to providing a copy of the Register, and a Rubik Shareholder must not use any information obtained for an improper purpose. A copy of the Register will be given to any Rubik Shareholder upon request and payment of the prescribed fee under the Corporations Act where Rubik is satisfied that the details provided are not likely to be used for an improper purpose.

3.15 Warranties provided by Scheme Shareholders

The effect of clause 8.2(b) of the Scheme is that all Scheme Shareholders, including those who vote against the Scheme and those who do not vote, will be deemed to have warranted to Temenos and Rubik that their Rubik Shares are fully paid, free from restrictions on transfer of any kind, and not subject to any of the encumbrances specified in that clause, and that they have full power and capacity to transfer their Rubik Shares to Temenos Australia, together with any rights and entitlements attaching to those Rubik Shares.

Clause 8.2(b) of the Scheme is set out in Attachment C to this Scheme Booklet.

3.16 Suspension of trading in Rubik Shares

If the Court approves the Scheme, Rubik will immediately notify ASX. It is expected that suspension of trading on ASX in Rubik Shares will occur at close of trading on the Effective Date (currently anticipated to be Monday, 8 May 2017).

3.17 Delisting Rubik

On a date shortly after the Implementation Date to be agreed with Temenos, Rubik will apply for the termination of the official quotation of Rubik Shares on ASX and for Rubik to be removed from the official list of the ASX.

3.18 Further questions

If you have any further questions, please contact the Shareholder Information Line on 1300 728 483 (within Australia) or +61 (0)3 9946 4453 (outside Australia) Monday to Friday between 8:30am and 5:00pm (Sydney time).

4 Information on Rubik

4.1 Overview of Rubik

Rubik is an ASX listed fintech company that delivers innovative banking, financial services and collections software solutions. Rubik's clients are Australia's leading financial institutions, including all four major banks and a growing list of international financial institutions across Asia and the Middle East.

4.2 Overview of Rubik's activities

Rubik delivers banking, financial services and collections software solutions. The business lines generate recurring licence fee revenue as well as customised development revenue.

Rubik's customer base is largely banking and financial institutions within Australia, with collection solutions across Asia and the Middle East.

(a) Banking Division

Rubik's Banking Division services the Australian banking sector, including all four major banks and a number of credit unions and mutual banks. Its key offerings include:

Rubik Model Bank - is a hosted, integrated, modular banking system built off the class leading Temenos T24 core banking software. It provides critical functionality for retail banking including Internet Banking, Mobile Banking, Mobile App, Card Management System, Origination Platform, CRM and Collections & Recoveries.

Digital Platform - encompasses the Temenos edgeConnect and Mobile Banking application. The expanded platform is now part of the Temenos global market place, via the Temenos Connect platform

(b) Financial Services Division

Rubik's Financial Services Division, services the Australian financial planning and mortgage and asset finance broking industries, providing software for these two industries to service their customers and comply with their regulatory obligations.

Provisio - is a scaled financial planning software platform that combines illustration point of sales tools and statement of advice capability for optimised strategies in superannuation, retirement, investments and insurance.

Coin - is a comprehensive financial planning software platform with an integrated suite of modules for client engagement, reporting, research and modelling of strategies for insurance, investments, superannuation and retirement. It also has advice document generation, workflow and customer relationship management capabilities.

Symmetry - is an end to end loan management tool designed for Australian mortgage professionals including aggregators, brokers, mortgage managers and originators.

eLodge+ - is an integrated mortgage sales process module, enabling the submission of electronic loan applications to over 15 lenders in the Australian marketplace. eLodge+ facilitates a seamless connection between lenders and their distribution channels, supporting straight through processing, reducing re-work and improving the holistic customer experience.

DriveOnline - is an asset finance origination platform with intuitive point of sale capabilities, designed to increase sale conversions across lender asset finance and commercial distribution channels, as well as facilitate straight through processing.

(c) **Collections Division**

CWX - a world class collections and recoveries software platform. Highly flexible, it improves credit collections and recovery rates by managing all aspects of the end-to-end process.

SPX - a Secure Payment Exchange processing system that processes high volume direct entry bulk-payments for major financial industry sectors such as Credit Unions and Building Societies.

Mercantile – a collections and recovery platform which has ceased being marketed but has a legacy base of customers.

RBX – a core banking platform which has ceased being marketed but has a legacy base of customers.

4.3 Board and senior management

The Current Rubik Directors and officers are:

Name	Role
Craig Evan Coleman	Non-Executive Chairman
Andrew Graeme Moffat	Non-Executive Director
Peter Graham Clare	Non-Executive Director
John Clark Wilson	Non-Executive Director
Darius Coveney	Company Secretary

Craig Evan Coleman is not considered to be independent by virtue of his role as an executive director of Rubik's largest shareholder.

Key members of Rubik's senior management team include:

Name	Position
Iain Dunstan	Chief Executive Officer
Darius Coveney	Chief Financial Officer

4.4 Rubik Director's interests in Rubik Shares

Each Rubik Director's Relevant Interest in Rubik Shares is set out in the table below:

Rubik Director	Relevant Interest in Rubik Shares	Percentage of total Rubik Shares
Craig Evan Coleman	10,640,458	2.51%
Andrew Graeme Moffat	9,209,890	2.17%
Peter Graham Clare	500,000	0.12%
John Clark Wilson	1,883,603	0.45%

The Rubik Directors have confirmed that they intend, in respect of any shares held or controlled by them, to vote in favour of the Scheme in the absence of a Superior Proposal.

4.5 Rubik Board's intentions if Scheme becomes effective

If the Scheme becomes Effective, the existing Rubik Board will be reconstituted in accordance with the instructions of Temenos after the Implementation Date, which is currently expected to be Monday, 22 May 2017 and all current Rubik Directors will resign. Accordingly, it is not possible for the existing Rubik Board to provide a statement of its intentions regarding:

- the continuation of the business of Rubik or how Rubik's existing business will be conducted;
- any major changes to be made of the business of Rubik, including any redeployment of assets of Rubik; or
- the future employment of the present employees of Rubik,

in each case, after the Scheme is implemented.

Refer to section 5 for further details of Temenos' intentions if the Scheme is implemented.

4.6 Rubik's issued securities

There were 423,587,074 Rubik Shares on issue as at the date immediately before the date of this Scheme Booklet. Rubik does not anticipate that it will issue any Rubik Shares on or before the Implementation Date.

The substantial holders of Rubik Shares as at the Last Practicable Trading Date are as follows:

Substantial Shareholder	Relevant Interest in Rubik Shares	Percentage of total Rubik Shares
Viburnum Funds Pty Ltd*	82,638,051	19.51%

LHC Capital Partners Pty Ltd	66,747,233	15.76%
Regal Funds Management Pty Limited	36,426,974	8.60%
TOTAL	185,812,258	43.87%

* Mr Coleman is the Executive Director of Viburnum Funds Pty Ltd.

The shareholdings listed in this section 4.6 are as disclosed to Rubik by the shareholders in substantial holding notices. Information in regard to substantial holdings arising, changing or ceasing after this time or in respect of which the relevant announcement is not available on the ASX website is not included above.

The terms of the Scheme Implementation Deed prohibit Rubik from granting or issuing any shares or other securities or otherwise altering its share capital before or on the Implementation Date except, among other exceptions, with the consent of Temenos.

4.7 Historic financial information

This section sets out summary financial information in relation to Rubik for the purpose of this Scheme Booklet. The financial information contained in this section has been presented in an abbreviated form and does not contain all of the disclosures, statements or comparative information required by Australian Accounting Standards applicable to annual financial reports prepared in accordance with the Corporations Act.

The financial information has been extracted from Rubik's audited financial results for the financial years ended 30 June 2015 and 30 June 2016 and the reviewed financial results for the half year ended 31 December 2016 (**H1 FY17**).

Rubik's full financial accounts, including all notes to those accounts, can be found in:

- the Rubik 2015 Annual Report for the financial year ended 30 June 2015 (released to the ASX on 23 October 2015);
- the Rubik 2016 Annual Report for the financial year ended 30 June 2016 (released to the ASX on 31 August 2016); and
- the Rubik H1 FY17 Financial Report for the half-year ended 31 December 2016 (released to the ASX on 27 February 2017).

Copies of these reports are available on Rubik's website at www.rubik.com.au.

Alternatively, Rubik Shareholders may obtain copies of these documents free of charge by calling the Shareholder Information Line on 1300 728 483 (within Australia) or +61 (0)3 9946 4453 (outside Australia) Monday to Friday between 8:30am and 5:00pm (Sydney time).

Rubik's reports for each of the end of financial years set out above were audited in accordance with Australian Auditing Standards. The audit opinions relating to those financial reports were unmodified.

Rubik's financial report for H1 FY17 was reviewed by Rubik's auditor, KPMG, which stated that, based on its review, which was not an audit, KPMG had not become aware of any matter that made KPMG believe that Rubik's H1 FY17 financial report was not in accordance with the Corporations Act.

(a) **Consolidated statement of financial performance**

Set out below is a summary of Rubik's consolidated statements of financial performance, for the financial years ended 30 June 2015 and 30 June 2016 and the half-year ended 31 December 2016.

	Half-year ended	Full year ended	Full year ended
	31-Dec-16 \$'000	30-Jun-16 \$'000	30-Jun-15 \$'000
Revenue	19,445	43,261	38,831
Other income/(expenses)	-	6,026	899
Net finance expenses	(302)	(1,038)	(1,744)
Expenses			
Research fee	(580)	(980)	(1,113)
Product licence and holding fees	(3,010)	(6,130)	(3,950)
Employee benefits expenses	(10,559)	(25,122)	(25,716)
Share-based payments expense	(302)	(500)	(134)
Depreciation and amortisation expenses	(3,898)	(7,571)	(8,037)
Professional and consulting fees	(545)	(1,275)	(2,094)
Marketing expenses	(284)	(365)	(601)
Premises and establishment expenses	(828)	(1,634)	(1,835)
Early termination of lease expense	-	(158)	-
Impairment loss	-	(5,271)	(8,472)
Communication and other technology expenses	(925)	(1,533)	(1,407)
Costs relating to acquisition activities	-	-	(815)
Other expenses	(405)	(1,747)	(1,417)
Profit/(loss) before income tax expense	(2,193)	(4,037)	(17,605)
Income tax benefit/(expense)	531	1,383	3,529
Profit/(loss) after income tax expense for the period attributable to the owners of Rubik Financial Limited	(1,662)	(2,654)	(14,076)
Other comprehensive income			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Net change in fair value of investments	-	-	3,733
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation	(37)	17	33
Other comprehensive income for the period	(37)	17	3,766
Total comprehensive income for the period attributable to the owners of Rubik Financial Limited	(1,699)	(2,637)	(10,310)
	Cents	Cents	Cents
Basic earnings per share	(0.42)	(0.76)	(4.13)
Diluted earnings per share	(0.42)	(0.76)	(4.13)

(b) **Consolidated statement of financial position**

Set out below is a summary of Rubik's consolidated statements of financial position, for the financial years ended 30 June 2015 and 30 June 2016 and half-year ended 31 December 2016.

	Half-year ended	Full year ended	Full year ended
	31-Dec-16 \$'000	30-Jun-16 \$'000	30-Jun-15 \$'000
ASSETS			
Current assets			
Cash and cash equivalents	3,638	5,653	4,319
Trade and other receivables	6,988	8,427	5,411
Other	1,040	912	619
Total current assets	11,666	14,992	10,349
Non-current assets			
Other financial assets	151	151	151
Property, plant and equipment	2,776	2,992	596
Intangibles	52,940	50,734	55,030
Deferred tax asset	15,731	15,211	13,854
Total non-current assets	71,598	69,088	69,631
Total assets	83,264	84,080	79,980
LIABILITIES			
Current liabilities			
Trade and other payables	5,866	7,838	6,081
Borrowings	1,388	-	-
Employee benefits	1,335	2,580	1,818
Provisions	2,000	2,335	1,949
Income received in advance	2,870	2,705	2,316
Total current liabilities	13,459	15,458	12,164
Non-current liabilities			
Trade and other payables	154	-	-
Borrowings	10,260	7,760	4,421
Employee benefits	107	105	179
Provisions	2,256	2,267	7,570
Total non-current liabilities	12,777	10,132	12,170
Total liabilities	26,236	25,590	24,334
Net assets	57,028	58,490	55,646
EQUITY			
Issued capital	72,607	72,672	67,691
Reserves	4,514	4,249	3,732

Accumulated losses	(20,093)	(18,431)	(15,777)
Total equity	57,028	58,490	55,646

(c) **Consolidated statement of cash flow**

Set out below is a summary of Rubik's consolidated statements of cash flow, for the financial years ended 30 June 2015 and 30 June 2016 and half-year ended 31 December 2016.

	Half-year ended	Full year ended	Full year ended
	31-Dec-16 \$'000	30-Jun-16 \$'000	30-Jun-15 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	23,002	44,346	40,839
Payments to suppliers and employees	(21,363)	(42,738)	(41,346)
	1,639	1,608	(507)
Dividends received	-	-	302
Interest received	2	5	58
Interest and other finance costs paid	(304)	(553)	(399)
Income taxes paid	(23)	(17)	(6)
Net cash (used in)/from operating activities	1,314	1,043	(552)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for purchase of business, net of cash acquired	-	(1,577)	(2,021)
Payment for transaction cost relating to acquisition of business	-	(43)	(1,833)
Payments for property, plant and equipment	(89)	(509)	(950)
Payments for intangibles	(7,064)	(5,811)	(2,138)
Proceeds from disposal of investments	-	-	4,847
Net cash used in investing activities	(7,153)	(7,940)	(2,095)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds/(payments) of share issuance costs	(65)	4,980	(255)
Payments from borrowings	-	(2,099)	(4,250)
Proceeds from borrowings	3,889	5,350	2,000
Net cash from financing activities	3,824	8,231	(2,505)
Net increase/(decrease) in cash and cash equivalents	(2,015)	1,334	(5,152)
Cash and cash equivalents at the beginning of the period	5,653	4,319	9,471
Cash and cash equivalents at the end of the period	3,638	5,653	4,319

4.8 Material changes to the financial position of Rubik since 31 December 2016

As disclosed to the ASX, on 14 February 2017, Rubik entered into a \$5,000,000 short-term bridging loan, on arms' length terms, with Viburnum Funds Pty Ltd as trustee for VF Strategic Equities Fund (**Viburnum Loan**). The term of the Loan is from 14 February 2017 until the earlier of:

- 31 March 2018;
- 5 business days following the completion by Rubik of a capital raising transaction for at least \$5,000,000; and
- 5 business days following the occurrence of a change of control event (which includes a court-approved scheme of arrangement).

To the knowledge of Rubik and except as disclosed elsewhere in this Scheme Booklet, the financial position of Rubik has not materially changed since 31 December 2016.

4.9 Risks relating to Rubik's business

There are existing risks relating to Rubik's business and an investment in Rubik which will continue to be relevant to Rubik Shareholders if the Scheme does not become Effective. A summary of the key risks relating to Rubik's business and an investment in Rubik is set out in section 6.3.

4.10 Publicly available information

Rubik is a listed disclosing entity for the purposes of the Corporations Act and as such is subject to certain reporting and disclosure obligations. This requires Rubik to give continuous disclosure by lodging disclosures with the ASX of any information Rubik has that a reasonable person would expect to have a material effect on the price or value of Rubik Shares.

ASX maintains files containing publicly disclosed information about all entities listed on ASX. Information disclosed to ASX by Rubik is available on ASX's website at www.asx.com.au.

In addition, Rubik is required to lodge various documents with ASIC. Copies of documents lodged with ASIC by Rubik may be obtained from an ASIC office.

Rubik Shareholders may obtain a copy of:

- the Rubik 2016 Annual Report and H1 FY17 Financial Report (being the most recent financial reports recently lodged with ASX before the registration of this Scheme Booklet with ASIC); and
- any announcements given to ASX by Rubik after the lodgement by Rubik of the H1 FY17 Financial Report and before the date of this Scheme Booklet,

free of charge by calling the Shareholder Information Line on 1300 728 483 (within Australia) or +61 (0)3 9946 4453 (outside Australia) Monday to Friday between 8:30am and 5:00pm (Sydney time).

A list of announcements made by Rubik to ASX from 15 February 2017 until 17 March 2017 are listed below²:

Announcement	Date
Rubik announces partnership with YBR on Wealth Revamp \$	2 March 2017
Half Yearly Report and Accounts \$	27 February 2017
Rubik Confirms Agreement with Goldfields Money	27 February 2017
Announcement of Acquisition Proposal \$	15 February 2017

\$ = price sensitive

Information about Rubik, including financial information, is available in electronic form on Rubik's website at <http://www.rubik.com.au>.

In addition, Rubik is required to lodge various documents with ASIC. Copies of documents lodged with ASIC by Rubik may be obtained from <https://asicconnect.asic.gov.au/>.

² This excludes announcements relating to substantial holding notices.

5 Information on Temenos

The information in this section of the Scheme Booklet has been prepared by Temenos. The information concerning Temenos and the intentions, views and opinions contained in this section are the responsibility of Temenos.

Except as set out in this section 5, there is no other information regarding Temenos, or its intentions regarding Rubik, that is material to the making of a decision by a Rubik Shareholder in relation to the Scheme, being information that is within the knowledge of any director of Temenos as at the date of this Scheme Booklet, which has not been previously disclosed to Rubik Shareholders.

Rubik and Rubik's Directors and officers do not assume any responsibility for the accuracy or completeness of this information except to the extent that Rubik has provided Temenos with information for the purpose of Temenos preparing information on the merged entity following implementation of the Scheme.

5.1 Overview of Temenos

Founded in 1993, Temenos is the market leading provider of mission critical software to financial institutions globally with more than 2,000 customers in over 150 countries worldwide.

Temenos develops, markets, implements and supports its solutions from its headquarters in Geneva, Switzerland and approximately 60 additional offices in approximately 40 countries throughout the world. Temenos employs approximately 4,400 people.

Temenos' products manage key front, middle and back-office activities, including retail, private, corporate and commercial banking (including digital banking), and trade finance. Temenos' products also manage funds and fund accounting. Temenos' software solutions are designed for flexibility, with architectures that enable clients to purchase additional product modules as their needs evolve. Because it is fully scalable, Temenos' software can be deployed on a site-by-site basis or enterprise-wide. Its solutions provide value for customers by enabling them to grow, to control costs and to manage risks.

Temenos believes that high quality client implementation and support services are a critical requirement for continued growth and customer loyalty. Temenos supports its clients through its own services organisation and through strategic alliances with IT service providers and systems integrators.

Temenos' clients include banks and other financial institutions of all sizes throughout the world, from 'Tier 1' global institutions to small regional banks. Temenos provides mission critical software to 38 of the top 50 banking institutions in the world and current representative clients include ABN Amro, BANESCO, Bank of Ireland, Nordea, Schroders, SinoPac and Standard Chartered.

The ordinary shares of Temenos have been listed on the main segment of the SIX Swiss Exchange since June 2001 under the symbol 'TEMN', and as at 1 March 2017 Temenos had a market capitalisation of approximately CHF5.4 billion or approximately \$7.06 billion (based on an AUD/CHF exchange rate of 0.774, as at 1 March 2017). For the year ended 31 December 2016, Temenos reported revenue and net income of US\$634 million and US\$116 million respectively. As at 31 December 2016, Temenos' total assets were approximately US\$1.2 billion.

5.2 Temenos' board of directors

The Board of Directors of Temenos as at the date of this Scheme Booklet is comprised of the following members:

Name	Current position	Biography
Andreas Andreades	Executive Chairman	<ul style="list-style-type: none"> Joined Temenos in 1999 as Chief Financial Officer, became Deputy Chief Executive Officer in 2001 and Chief Executive Officer in 2003 (until 2011). First elected to the Temenos Board in 2001 (upon incorporation of Temenos), and Chairman of the Board since 2011. Career started with KPMG London in 1988 and then with PepsiCo between 1994 and 1999.
Sergio Giacoletto-Roggio	Independent and non-executive director	<ul style="list-style-type: none"> First elected to the Temenos Board in 2012, is the Vice-Chairman of the Board, the Chairman of its Compensation Committee and a member of its Audit and Nomination Committees. Currently Chairman of Oberthur Technologies Holding and Operating Partner with Advent International. Previous positions include Company Officer and Executive Vice President for Europe, Middle East and Africa in Oracle Corporation (2000-2008), President, Value Added Services for Europe at AT&T (1997), held previously various senior management and executive roles with Digital Equipment Corporation.
George Koukis	Non-executive director	<ul style="list-style-type: none"> Founder and Chairman of the Board until July 2011. Currently Chairman of the Board of Trustees of the Classical Opera in the United Kingdom and a Board member in seven private companies operating mainly in IT and Green Technologies. Previous positions include manager at Qantas, managing director with Management Science America in Australia.
Ian Cookson	Independent and non-executive director	<ul style="list-style-type: none"> First elected to the Temenos Board in 2012, is a member of its Audit, Compensation and Nomination Committees. Previous positions include Chief Operating Officer of EFG International and a member of its Executive Committee until September

Name	Current position	Biography
		2007, member of the Executive Committee of EFG Bank (since 2002), Deputy Chief Executive Officer of EFG Bank (1997-2002), Chief Operating Officer of Banque de Dépôts, Geneva (1991-1997) and the Head of Management Services of CBI-TDB Union Bancaire Privée (1986-1991).
Erik Hansen	Independent and non-executive director	<ul style="list-style-type: none"> • First elected to the Temenos Board in 2013, is a member of its Compensation Committee. • Currently Chairman of the Board of Myriad Group AG (Switzerland). • Previous positions include CEO and Board Member at Day Software (2008-2011), several senior leadership roles at companies including TIBCO Software (2000-2004), TA Triumph Adler (1994-1997) and Apple (1990-1994), both in Europe and in the United States.
Thibault de Tersant	Independent and non-executive director	<ul style="list-style-type: none"> • First elected to the Temenos Board in 2012, is the Chairman of its Audit Committee. • Currently member of the Board of Dassault Systèmes (France), its executive vice president and CFO since 1988, and Senior EVP since 2006.
Amy Yip	Independent and non-executive director	<ul style="list-style-type: none"> • First elected to the Temenos Board in 2014, is a member of its Nomination Committee. • Currently a Managing Partner of RAYS Capital Partners Limited, an Executive Director of Vitagreen (Hong Kong), an independent and non-executive director of AIG Hong Kong, a member of the Supervisory Board of Deutsche Börse AG, Frankfurt (Germany) and a non-official member of the Commission on Strategic Development of the Central Policy Unit of Hong Kong Special Administrative Region. • Career started at the Morgan Guaranty Trust Company of New York (1978-1985), previous positions include senior appointments at Rothschild Asset Management (1988-1991) and Citibank Private Bank (1991-1996). Executive Director of Reserves Management at the Hong Kong Monetary Authority from 1996 to 2006, Chief Executive Officer of DBS Bank (Hong Kong) Limited (2006 to 2010) and concurrently Head of the Wealth Management Group at DBS Bank.

5.3 Overview of Temenos Australia

Temenos has appointed Temenos Australia as its “nominee” under the Scheme Implementation Deed. This means that on the Implementation Date, the Scheme Shares will be transferred to Temenos Australia.

Temenos Australia is an Australian proprietary company established for the sole purpose of acquiring all of the Rubik Shares if the Scheme is implemented, and it does not currently have any other activities. Temenos Australia was incorporated on 1 March 2017 and is a wholly owned indirect subsidiary of Temenos. Under the Deed Poll, Temenos undertakes in favour of each Scheme Shareholder to procure that Temenos Australia undertakes all actions attributed to it under the Scheme.

Temenos Australia’s Board of Directors as at the date of this Scheme Booklet is comprised of the following members:

Name	Current position	Biography
Paul Johnstone	Director	<ul style="list-style-type: none">Appointed an Australian resident Director, Secretary & Public Officer of Temenos Australia Pty Ltd, a company part of the Temenos group, on 14th July 2004.Currently a member of the Australian Institute of Chartered Accountants, a Justice of the Peace, and Australian Tax Agent.Australian Resident Director and Secretary of several Australian companies.
Martin Frick	Director	<ul style="list-style-type: none">Currently Managing Director Asia Pacific for Temenos, joined Temenos in April 2014.Career started in Raiffeisen Bank Switzerland back in 1989; held various management positions at Raiffeisen Bank Switzerland, Raiffeisen Informatik AG, Clariden Bank AG and UBS AG before joining the IT Vendor sector.

5.4 Rationale for Temenos’ proposed acquisition of Rubik

Temenos’ proposed acquisition of Rubik is consistent with its business strategy to expand through both organic growth and strategic acquisitions, including in international markets. The combination of Rubik and Temenos is intended to create a leader in the fast growing Australian financial software market by combining Rubik’s local knowledge and product set with Temenos’ global expertise and world class solutions. The acquisition will assist Temenos to capitalise on the growth opportunities in the Australian market and accelerate growth across its key target segments of wealth, core banking, and fund administration.

In addition, some of Rubik’s products have international applicability and Temenos sees the opportunity to sell these products to its customer base in the Asia-Pacific region.

5.5 Funding arrangements for the Scheme Consideration

The Scheme Consideration is 100% cash.

Under the terms of the Deed Poll, Temenos has undertaken in favour of each Scheme Shareholder to pay the Scheme Consideration into a trust account for the benefit of the Scheme Shareholders no later than the Business Day before the Implementation Date, conditional upon the Scheme becoming Effective.

If the Scheme is implemented, Scheme Shareholders will become entitled to receive the Scheme Consideration of \$0.1667 cash per Scheme Share.

Based on Rubik's total issued share capital as at the date of this Scheme Booklet, the total amount of cash that Temenos is required to pay (or procure the payment of) to Scheme Shareholders under the Scheme is \$70,611,965.23.

As at 31 December 2016, Temenos (on a consolidated basis) had cash and cash equivalents of US\$194 million or approximately \$253 million (based on an AUD/USD exchange rate of 0.766, as at 1 March 2017). These cash reserves are not subject to security interests, rights or set off or other arrangements that might materially affect Temenos' ability to use them to pay the Scheme Consideration. In addition, as at 31 December 2016, Temenos had available undrawn borrowing capacity under its revolving credit facility of approximately **US\$472** million or approximately **\$616** million (based on an AUD/USD exchange rate of 0.766, as at 1 March 2017). Temenos has not determined the proportion in which funds will be drawn from these two sources as at the date of this Scheme Booklet.

On the basis of the arrangements described above, Temenos is of the opinion that it has a reasonable basis for forming the view, and it holds the view, that it will be able to satisfy its payment obligations under the Scheme, as well as the costs associated with the Scheme.

5.6 Temenos' intentions if the Scheme is implemented

This section sets out Temenos' current intentions in relation to the continuation of the business of Rubik, any major changes to be made to the business of Rubik, including any redeployment of the assets of Rubik and the future employment of the present employees of Rubik if the Scheme is implemented. The statements set out in this section are statements of present intention only and have been formed on the basis of facts and information concerning Rubik including certain non-public information made available by Rubik to Temenos prior to the entry into the Scheme Implementation Deed, and the general business environment which are known to Temenos at the time of the preparation of this Scheme Booklet.

Temenos Australia has the same intentions as Temenos in relation to these matters.

If the Scheme is implemented, Temenos intends to undertake a detailed review of Rubik's operations covering strategic, financial and commercial operating matters to determine the optimum manner of operating and managing the business.

Final decisions about any major changes to the future commercial operating plan and management organisation for Rubik, will be made by Temenos following the completion of the post-acquisition review described above and will be based on all material facts and circumstances at the relevant time. Accordingly, other than where the disclosure below expressly states that Temenos has determined to do something, the statements set out in this section are statements of current intention only and may change as new information becomes available or as circumstances change.

(a) Operations

If the Scheme is implemented, Temenos Australia will become the holder of all Rubik Shares and Rubik will become a wholly owned subsidiary of Temenos Australia with Temenos as its ultimate parent company.

Based on the information available to Temenos at the date of this Scheme Booklet, Temenos believes that it can realise value by:

- Rubik benefiting from Temenos' brand, balance sheet, R&D investment and partner relationships to accelerate new client acquisition in Australia;
- Rubik implementing Temenos best practices in sales execution, product development and service delivery;
- cross-selling certain Rubik products to Temenos' customer base internationally; and
- leveraging the Rubik local presence and client relationships to accelerate the sales of Temenos products in Australia.

(b) Rubik to be delisted

If the Scheme is implemented, Temenos will procure that Rubik apply to the ASX for Rubik to be removed from the official list of ASX after implementation of the Scheme.

(c) Board of directors

If the Scheme is implemented, Temenos presently intends to replace the board members of Rubik and its subsidiaries with nominees of Temenos (who are yet to be identified).

(d) Business continuity and major changes

Temenos' present intention is to merge Rubik with the Temenos Asia-Pacific region business and to carry on the Rubik's core business in substantially the same manner as it is currently conducted. Specifically, it is not Temenos' present intention to make any material divestments of assets.

Temenos currently expects that the focus of its business planning will be on expanding sales of Temenos and Rubik products in Australia and on integrating Rubik within Temenos' Asia-Pacific region business.

(e) Management and employees

Temenos considers Rubik's employees to be an integral part of the future success of the business. Any decisions about the management structure and staffing will be made following completion of the general review described above. As a result of the review it is possible there may be some corporate, managerial and operational duplication in Temenos' and Rubik's businesses, as a result of which certain roles may need to be made redundant. However, until Temenos has completed its review, Temenos cannot reasonably determine the extent to which this may be applicable.

(f) Head office

If the Scheme is implemented, it is currently intended that Rubik's head office will remain in Sydney, Australia.

5.7 Temenos' interests in Rubik Shares

(a) Interest in Rubik Shares

As at the date of this Scheme Booklet, Temenos has a Relevant Interest in 976,000 Rubik Shares (held by a custodian for Temenos Headquarters SA, a subsidiary of Temenos) and voting power of 0.23% in Rubik. These Rubik Shares were acquired during 2008 and 2009.

(b) Dealing in Rubik Shares in previous four months

Except for the Scheme Consideration payable under the Scheme, none of Temenos or any of its Associates has provided or agreed to provide consideration for any Rubik Shares during the period of four months before the date of this Scheme Booklet.

(c) Benefits to holders of Rubik Shares

During the four months before the date of this Scheme Booklet, none of Temenos or any of its Associates has given or offered to give or agreed to give a benefit to another person where the benefit was likely to induce the other person or an Associate to:

- vote in favour of the Scheme; or
- dispose of Rubik Shares,

where the benefit was not offered to all Rubik Shareholders.

(d) Benefits to Rubik officers

None of Temenos and its Associates has made or given or will make or give any payment or benefit to any current officers of Rubik as compensation or consideration for, or otherwise in connection with, their resignation from their respective offices if the Scheme is implemented and the Rubik board reconstituted.

6 What if the Scheme is not implemented?

6.1 What if the Scheme is not implemented?

If the Scheme is not implemented, there will be no change to Rubik and it will continue to operate on a standalone basis. As such, Rubik will remain listed on the ASX and you will retain your Rubik Shares and they will not be acquired by Temenos Australia.

While it is not possible to predict the future performance of Rubik, in deciding whether or not to vote in favour of the Scheme Resolution you should have regard to the prospects of Rubik on a standalone basis (i.e. if the Scheme is not approved and implemented) including the risks described below.

The following are some possible implications of the Scheme not being implemented:

- Rubik Shareholders will retain their Rubik Shares and they will not be acquired by Temenos Australia;
- Rubik Shareholders will not receive the proposed \$0.1667 cash per share Scheme Consideration;
- Rubik will, in the absence of another proposal, continue to operate as a stand-alone company listed on ASX and, as such, Rubik Shareholders will be exposed to the risks relating to Rubik's business – refer to section 6.3 for more risk related commentary; and
- if no comparable proposal or Superior Proposal emerges, then the Rubik share price may fall or trade at a price below the Scheme Consideration of \$0.1667 cash per Rubik Share, at least in the near-term.

This view is also supported by the Independent Expert which states on pages 7 and 8 of its letter to the Rubik Directors, which is included in Attachment E:

If the Scheme is not implemented, it would be the current Directors' intention to continue operating Rubik in line with its objectives. Rubik Shareholders who retain their shares would continue to share in any benefits and risks in relation to Rubik's ongoing business.

[...]

In the absence of the Proposed Transaction or an alternative transaction, all other things being equal, it is likely that Rubik Shares will trade at prices below the Offer Price and it is expected to fall from the existing level. In our opinion, the prospect of Rubik Shares trading above the Offer Price in the short term, based on the current market conditions and the ongoing performance of the Company, is limited in the absence of the Proposed Transaction or alternative transactions.

6.2 Strategy and intentions for Rubik if the Scheme does not proceed

Should the Scheme not proceed and if a Superior Proposal does not emerge, Rubik will continue to operate on a standalone basis in accordance with its publicly stated strategy. The strategy should be considered in conjunction with the comments on certain Rubik risks outlined below in section 6.3 of this Scheme Booklet.

6.3 Risks associated with Rubik if the Scheme is not implemented

If the Scheme is not implemented, Rubik will remain a listed company and continue to be subject to various risks specific to its business activities and of a general nature. The principal risks that could have a material adverse effect on Rubik's future operating and/or financial performance and the value of Rubik Shares are listed below.

The Rubik Directors and executive management of Rubik, in the ordinary course of business, assess material risks associated with the operations of Rubik and take appropriate steps to mitigate them. While some of these risks can be mitigated, some are out of the control of Rubik, the Rubik Directors and executive management, and cannot be mitigated.

Before deciding to vote on the Scheme you should have a sufficient understanding of these risks and consider whether continuing to hold Rubik Shares is a suitable investment for you, having regard to your own investment objectives, financial circumstances and taxation position. The outline of the risks set out in this section 6.3 is a summary only and should not be considered exhaustive or listed in any order of importance. This section 6.3 does not purport to list every risk that may be associated with continuing to hold Rubik Shares now or in the future (in the event the Scheme is not implemented). The risks identified do not take into account your individual investment objectives, financial situation, position or the particular needs of each Rubik Shareholder.

The risks described below as well as other risks not described below could, in the future, materially and adversely affect the financial performance of Rubik and the value of Rubik Shares.

(a) Market Risks

(i) Failure to attract new customers

Rubik's performance is dependent on its ability to attract new customers. If Rubik is unable to do so there is a risk its financial performance will be adversely affected.

(ii) Increased Competition

Rubik faces a number of competitors in each of its product lines and there is a possibility that existing competitors may seek to consolidate, engage in more aggressive marketing or pricing behaviour or develop superior products or that new competitors, disruptive technologies or fintech will enter the market. Increased competition from new and existing competitors may have an adverse effect on the financial performance and/or the financial position of Rubik.

There is a commercial risk that some software which Rubik provides financial planners and mortgage brokers throughout Australia, will lose market share in the face of products offered by newer cloud-based competitors. In particular, Rubik's Coin, which is responsible for a large proportion of Rubik's licence revenue, is a locally installed program and is facing increasing competition from newer cloud-based rivals. This is a particular risk when Rubik competes for new business and has contributed to Rubik's relatively flat sales growth in recent years. To remain competitive, Rubik must develop a cloud-based version of its financial planning offering, which it has commenced building and which requires substantial continued investment.

(iii) **Downturn in the financial services sector**

Rubik's customers operate in the financial services sector. The financial services sector is heavily influenced by the general condition of the Australian economy. As a result, the financial performance and business of Rubik may be influenced by prevailing economic conditions and any increase or reduction in demand in the financial services sector. A reduction in the level of economic activity in the financial services sector, and in particular any consolidation or reduction in the number of financial service providers, may reduce demand for the products of Rubik. This may have a material adverse effect on the financial performance and/or financial position of Rubik.

(b) **Technology**

(i) **Developments in Technology**

Rubik operates in an environment characterised by rapidly changing technology and new product introductions. An unpredicted development in technology or new product may have a material adverse effect on the financial performance and/or the financial position of Rubik.

An inability to adapt to technological developments may negatively impact the ability of Rubik to attract and retain customers and have a material adverse effect on the business. Technical difficulties in the roll-out of new technologies by Rubik or low-levels of take-up of Rubik products by existing customers may also have a material adverse effect on the business of Rubik and result in Rubik losing market share to new disruptive technologies.

(ii) **Integrity of Technology**

Rubik is heavily reliant on the security of its software and databases. Breaches of security from either Rubik or a third party could impact on user satisfaction or the integrity of the software and have a material adverse effect on the financial performance and/or financial position of Rubik.

(c) **Litigation and disputes**

As with any company, Rubik is exposed to the risks of claims and litigation (either as the complainant or as the defendant) which may have a material adverse effect on the financial position of Rubik. To the extent that such claims or litigation are not covered by insurance, an adverse outcome in litigation or the cost of initiating or responding to potential or actual claims or litigation may have a material adverse impact on Rubik's financial performance. Moreover, even when such claims or litigation are covered by insurance, Rubik may be adversely affected by the requirement to pay the initial excess / deductible under the policy and potential increases in its future insurance premiums or deductibles.

(d) **Intellectual Property**

(i) **Integrity of Technology**

Rubik has invested, and is investing, heavily in the development of its software platform. Rubik owns the copyright to software applications developed in-house. Intellectual property law protects Rubik's proprietary rights in its software. In spite of such laws, there is no guarantee that unauthorised use or copying of software developed by Rubik will not occur. Unauthorised use or copying of Rubik's software

may have a material effect on the financial performance and/or financial position of Rubik.

(ii) **Reputational risk**

Rubik's brand and reputation is important to winning contracts and generating revenue. Rubik has developed a reputation in the name "Rubik". There is a risk that an event may cause Rubik to suffer a loss of reputation. If Rubik's brand or reputation is damaged in any way, Rubik's ability to win contracts will be impacted, which could have an adverse effect on its revenue or profitability.

(e) **Financial and business risk**

(i) **Currency risk**

As a result of operations in New Zealand, Indonesia, Singapore, Pakistan, Hong Kong, Taiwan, Vietnam, Saudi Arabia and the Philippines, the Group is exposed to transaction and conversion risk in foreign currencies.

The impact of this is not considered to be material to Rubik's financial results.

(ii) **Political stability in some of the countries in which Rubik operates**

As a regional operator, Rubik is subject to operating risks as a result of adverse changes in the economic, social, legal and political conditions in other countries in its sphere of operations which currently extend to Singapore, Hong Kong, Taiwan, Indonesia, Pakistan, Saudi Arabia, Thailand, the Philippines and UAE. Rubik operates in countries and a region that have historically been subject to changes in political power which can have immediate and significant effects on business.

For example, regimes in Thailand and the Philippines have in the past been subject to military coups and political instability. The future may contain further coups, military activity, revolutions and anarchy. Such developments may adversely impact Rubik's business, financial performance and operations.

(iii) **Integration of acquired businesses and execution of new acquisitions**

Rubik has expanded through acquisitions in the past and may do so in the future. Future acquisitions present challenges and risks relating to the integration of each business into Rubik's operations. The acquired businesses could consume a disproportionately large amount of management time and attention during integration, and the acquisitions may fail to meet strategic objectives, generate the anticipated improvement in financial performance, or produce other expected synergies.

Rubik has undertaken financial, business and other analysis in respect of its past acquisitions, and expects to do so in respect of any future acquisitions. It is possible that such analysis drew (or will draw) conclusions and forecasts that were (or may be) inaccurate, or which will not be realised in due course, that may in turn adversely impact Rubik's business, financial performance and operations.

Any future proposals to expand by acquisition (for example into new geographical markets) may be affected by factors beyond the control of Rubik (including without limitation, commercial or regulatory changes), which may result in there being limited or unsuitable acquisition opportunities at the relevant time or unforeseen costs or risks and such future initiatives may not perform as intended.

(f) **General risks**

(i) **Reliance on key personnel**

Rubik is reliant on the expertise, knowledge and specialist skills of its employees and contractors. Rubik's growth and profitability may be limited if a significant number of its key personnel leave Rubik. Rubik may also be adversely affected by the inability to attract new suitably qualified personnel or by retaining key personnel.

(ii) **Share market conditions**

The value of Rubik Shares can be expected to fluctuate depending on various factors beyond the control of Rubik and its directors, including, but not limited to, general worldwide economic conditions, changes in government policies, investor perceptions, movements in interest rates and the rate of inflation, general movements in worldwide stock markets, variations in the operating expenses, as well as in the cost of capital replacement which Rubik may in the future require, announcement of new technologies or geo-political instability.

(iii) **Accounting standards**

Australian accounting standards are issued by the Australian Accounting Standards Board and are not within the control of Rubik or the Rubik Directors. Any changes to the accounting standards or to their interpretation may have an adverse effect on Rubik's reported financial performance and position.

(iv) **Exposure to changes in tax rules or their interpretation**

Tax rules or their interpretation in relation to equity investments, divestments and other transactions entered into in the ordinary course of Rubik's business may change. In particular, both the level and basis of taxation may change. In addition, from time to time the Australian Taxation Office also reviews the tax treatment of transactions entered into by Rubik. Any actual or alleged failure to comply with, or any change in the application or interpretation of tax rules applied in respect of such transactions, increase its tax liabilities or expose it to legal, regulatory or other actions. In addition, an investment in the Shares involves tax considerations which may differ for each Rubik Shareholder. Each Rubik Shareholder is encouraged to seek professional tax advice in connection with any investment in Rubik.

(v) **Force majeure events**

Events may occur within or outside Australia that could impact upon the global and Australian economies, the operations of Rubik and the underlying value of Rubik Shares. These events include but are not limited to acts of terrorism, an outbreak of international hostilities, fires, floods, earthquakes, labour strikes, civil wars, natural disasters, outbreaks of disease or other natural or man-made events or occurrences that can have an adverse effect on the value of the business. Rubik has only a limited ability to insure against some of these risks.

(vi) **Regulatory risks**

Companies operating within the information, financial services, banking, communication and technology industry are subject to various laws and regulations. Amendments to current policy, laws and regulations governing operations or more stringent implementation thereof could have a material adverse impact on Rubik and cause increases in expenses, capital expenditure or costs. Further, changes to

relevant policies, laws and regulations can give rise to periods of uncertainty which may negatively impact Rubik's business.

7 Taxation implications for Scheme Shareholders

7.1 Introduction

This part of the Scheme Booklet provides a general overview of the main Australian taxation implications for the Scheme Shareholders as a result of implementation of the Scheme.

This information does not apply to Scheme Shareholders who:

- Hold shares in Rubik on revenue account (such as entities that are in the business of dealing or trading in shares and other securities);
- Hold shares in Rubik on trust for or on behalf of another entity;
- Hold Rubik Shares under an employee share scheme offered by Rubik;
- Are subject to the Taxation of Financial Arrangements provisions under Division 230 of the Income Tax Assessment Act 1997 (Cth) in respect of the gains and losses on their Rubik Shares; or
- Are non-residents and hold shares in Rubik in connection with a permanent establishment in Australia.

This information is based on the Australian taxation in effect as of the date of the Scheme Booklet. The information does not constitute tax advice and should not be relied upon as such.

The precise Australian tax consequences of the Scheme will depend on the specific facts and circumstances of each Scheme Shareholder. Accordingly, Scheme Shareholders should seek their own independent tax advice as to the specific implications for them from the implementation of the scheme.

7.2 Australian Tax Resident Scheme Participants

If the Scheme is implemented, each Scheme Shareholder will receive \$0.1667 cash for every Rubik Share in respect of which the Scheme Shareholder is registered as the owner on the Record Date.

The transfer of Rubik Shares on the Implementation Date will result in CGT event A1 happening for the Scheme Shareholders. Scheme Shareholders that are Australian tax residents should:

- Make a capital gain if the capital proceeds for their Rubik Shares are greater than the cost base of their Rubik Shares; or
- Make a capital loss if the capital proceeds for their Rubik Shares are less than the reduced cost base of their Rubik Shares.

The capital proceeds under the Scheme should be the amount received by the Scheme Shareholder in consideration for their Rubik Shares.

A Scheme Shareholder's cost base for their Rubik Shares would generally be the purchase price of the shares, plus certain incidental costs of acquisition and disposal of the shares (for example, trading fees on acquisition of the shares). A Scheme Shareholder's reduced cost base for their Rubik Shares is broadly determined in a similar manner to the cost base, with some differences in the costs to be included.

7.3 Discount Capital Gains for Australian Residents

Australian resident Scheme Shareholders that are individuals may be entitled to discount capital gains tax treatment provided they held their Rubik Shares for a period of at least 12 months prior to the Implementation Date.

If available, individual Scheme Shareholders may reduce their net capital gain by 50%. No indexation is taken into account in calculating the net capital gain for these purposes. Further, the discount is taken into account after applying any available capital losses against the capital gain eligible for the discount.

There are different rules that apply to Rubik shares held by trustees of trusts or responsible entities of superannuation funds. No capital gains tax discount is available for corporate Scheme Shareholders.

7.4 Non-Resident Scheme Participants

Rubik Shares held by non-resident Scheme Shareholders should only be subject to Australian capital gains tax if the shares constitute “taxable Australian property”. Broadly speaking, a Rubik Share held by a non-resident Scheme Shareholder should only be “taxable Australian property” where:

- The Scheme Shareholder (either alone or together with associates) holds 10% or more of the shares in Rubik at the Implementation Date, or for any continuous 12 month period within the 24 months prior to the Implementation Date; and
- More than 50% of Rubik’s value is attributable to direct or indirect interests in Australian real property; Or
- Held via a permanent establishment of the Scheme Shareholder in Australia.

Rubik has assessed that it does not hold any material direct or indirect interests in any real property. Accordingly, Rubik Shares should not constitute “taxable Australian property”. However, the relevant date for determining if Rubik Shares are “taxable Australian property” will be the Implementation Date. Accordingly, non-resident Scheme Shareholders that have held at least 10% of the shares in Rubik at any time in the 24 months period prior to the Implementation Date should seek independent professional advice on the Australian tax implications of the scheme, including the potential application of the non-resident capital gains tax discount rules.

7.5 Goods and Services Tax

No GST should be payable by Scheme Shareholders in respect of the disposal of Rubik Shares. However, the ability of Scheme Participants to claim input tax credits on related acquisitions (if any) may be restricted. Scheme Shareholders that are registered for GST should seek their own independent tax advice in this regard.

7.6 Stamp Duty

Scheme Shareholders should not incur any stamp duty on the transfer of their Rubik Shares on implementation of the Scheme on the Implementation Date.

8 Additional information

8.1 Due diligence processes

Temenos and Rubik entered into the Scheme Implementation Deed on 14 February 2017, following Temenos conducting due diligence on the Rubik Group. The due diligence conducted by Temenos involved both a review of confidential information and documents as well as interviews with management. The due diligence was conducted pursuant to a confidentiality deed.

The Independent Expert has had access to Rubik's confidential information, including the information that was provided to Temenos for the purpose of its due diligence. The Independent Expert has also conducted interviews with certain members of Rubik's management team.

Rubik is not aware of any information about Rubik that is material to a decision by a Rubik Shareholder on how to vote in relation to the Scheme and which:

- (a) has not been made available to the Independent Expert in the manner referred to above for the purpose of preparing the Independent Expert's Report;
- (b) is not set out or referred to in this Scheme Booklet; or
- (c) has not otherwise been made available publicly by Rubik.

8.2 Interests of Rubik Directors in Rubik securities

The table below lists the Relevant Interests of Rubik Directors in Rubik Shares as at the date of this Scheme Booklet:

Rubik Director	Position	Relevant Interest in Rubik Shares
Craig Evan Coleman	Non-Executive Chairman	10,640,458
Andrew Graeme Moffat	Independent Non-Executive Director	9,209,890
Peter Graham Clare	Independent Non-Executive Director	500,000
John Clark Wilson	Independent Non-Executive Director	1,883,603

Rubik Directors who hold Rubik Shares will be entitled to vote at the Scheme Meeting and receive the Scheme Consideration as all other Scheme Shareholders.

The Rubik Directors unanimously recommend that Rubik Shareholders vote in favour of the Scheme Resolution in the absence of a Superior Proposal and subject to the Independent Expert continuing to consider that the Scheme is in the best interests of Shareholders.

8.3 Interests in Temenos held by Rubik Directors

No Rubik Director holds any interest in Temenos.

8.4 Interests held by Rubik Directors in contracts of Temenos

No Rubik Director has an interest in any contract entered into by Temenos.

8.5 Other interests of Rubik Directors

Viburnum Funds Pty Ltd as manager of Viburnum Funds Pty Ltd ATF VF Strategic Equities Fund has informed Rubik that it intends to vote the Rubik shares it holds at the time of the Scheme meeting in favour of the Scheme, in the absence of a Superior Proposal and subject to the Rubik Directors maintaining their unanimous recommendation to shareholders to vote in favour of the Scheme. Craig Coleman is the Executive Chairman of Viburnum Funds Pty Ltd.

Save as noted above, no Rubik Director has any other interest, whether as a director, member or creditor of Rubik or otherwise, which is material to the Scheme, other than in their capacity as a holder of Rubik Shares.

8.6 Agreements or arrangements with Rubik Directors

Save as noted above, there is no agreement or arrangement made between any Rubik Director and any other person, including Temenos, in connection with or conditional upon the outcome of the Scheme.

8.7 Payments and other benefits to directors, secretaries or executive officers of Rubik

No payment or other benefit is proposed to be made or given to a director, secretary or executive officer of Rubik or any member of Rubik as compensation for loss of, or as consideration for or in connection with their retirement from, office in Rubik or any member of Rubik as a result of the Scheme, other than as disclosed in this section 8.7.

(a) Treatment of LTIP Shares

Certain members of Rubik senior management participate in the Rubik long term incentive plan (**LTIP**). LTIP Shares represent ordinary shares held by the Rubik ESOP Trusco Pty Limited (**Trusco**) for the benefit of these senior management members.

The LTIP Shares will vest to those involved in the LTIP scheme on a pro rata basis as at the Effective Date, having reference to the time that senior management member was issued an LTIP offer and the initial period LTIP Shares vest.

3,827,993 LTIP Shares, (approximately 51.16% of the LTIP Shares) will vest as a result of the Scheme, and the remaining 3,654,007 LTIP Shares will remain unvested and will be forfeited by LTIP participants.

All LTIP Shares will be acquired under the Scheme.

The number of shares held by Trusco which are unallocated and which will not be voted in connection with the Scheme is 5,172,000.

(b) Treatment of LF Shares

As at the date of the Scheme meeting, there were 18,857,144 shares issued to the Chief Executive Officer and Chief Financial Officer as part of a loan funded (**LF**) share arrangement. LF Shares represent ordinary Shares issued to C-level executives, which include certain loan and escrow arrangements.

As a result of the change of control of Rubik by reason of the implementation of the Scheme, the LF Shares will fully vest on the Effective Date and the participants in the LF Share plan will receive a net amount of \$0.10 per LF Share after the repayment of relevant loans.

(c) Non-executive directors and chairman

No payment or other benefit is proposed to be made or given in connection with the Scheme to any non-executive Director or chairman of Rubik as compensation for loss of, or as consideration for, or in connection with, his retirement from office in Rubik or in any related body corporate of Rubik.

(d) Executive officers and company secretary

No payment or other benefit is proposed to be made or given in connection with the Scheme to any executive officer or secretary of Rubik, or of any related body corporate of Rubik, as compensation for loss of, or as consideration for, or in connection with, his or her retirement from office in Rubik or in any related body corporate of Rubik, other than any payments or benefits arising from any applicable redundancy entitlements. Redundancy entitlements may arise under the terms of the relevant executive officer's contract of employment, applicable statutory entitlements, Rubik's policies or a combination of these.

8.8 Top 20 Rubik Shareholders

As at the Last Practicable Trading Date, the top 20 Rubik Shareholders in the Register held approximately 76.74% of all issued Rubik Shares.

8.9 Rubik's substantial holders

The substantial holders of Rubik Shares as at the Last Practicable Trading Date are as follows:

Substantial Shareholder	Relevant Interest in Rubik Shares	Percentage of total Rubik Shares
Viburnum Funds Pty Ltd	82,638,051	19.51%
LHC Capital Partners Pty Ltd	66,747,233	15.76%
Regal Funds Management Pty Limited	36,426,974	8.60%
TOTAL	185,812,258	43.87%

The shareholdings listed in this section 8.9 are as disclosed to Rubik by the shareholders in substantial holding notices or otherwise. Information in regard to substantial holdings arising, changing or ceasing after this time or in respect of which the relevant announcement is not available on the ASX website is not included above.

8.10 Suspension of trading of Rubik Shares

If the Court approves the Scheme, Rubik will immediately notify ASX. It is expected that suspension of trading on ASX in Rubik Shares will occur at the close of business on the Effective Date.

8.11 Consents

- (a) The following parties have given, and have not withdrawn before the date of this Scheme Booklet, their consent to be named in this Scheme Booklet in the form and context in which they are named:
 - (i) Computershare as the manager of the Registry;
 - (ii) Ernst & Young as tax adviser in relation to the Scheme; and
 - (iii) Gilbert + Tobin as legal adviser to Rubik in relation to the Scheme.
- (b) The Independent Expert has given and has not withdrawn its consent to be named in this Scheme Booklet and to the inclusion of the Independent Expert's Report in Attachment E to this Scheme Booklet and to the references to the Independent Expert's Report in this Scheme Booklet being made in the form and context in which each such reference is included.
- (c) Temenos has given and has not withdrawn its consent to be named in this Scheme Booklet and in relation to the inclusion of the Temenos Information in this Scheme Booklet in the form and context in which that information is included.
- (d) Each person named in this section 8.11:
 - (i) has not authorised or caused the issue of this Scheme Booklet;
 - (ii) does not make, or purport to make, any statement in this Scheme Booklet or any statement on which a statement in this Scheme Booklet is based, other than as specified in this section 8.11; and
 - (iii) to the maximum extent permitted by law, expressly disclaims all liability in respect of, makes no representation regarding, and takes no responsibility for, any part of this Scheme Booklet, other than a reference to its name and the statement (if any) included in this Scheme Booklet with the consent of that party as specified in this section 8.11.

8.12 Documents available

An electronic version of this Scheme Booklet including the Independent Expert's Report and the Scheme Implementation Deed are available for viewing and downloading online at Rubik's website at www.rubik.com.au.

8.13 Continuous disclosure

Rubik is subject to regular reporting and disclosure obligations under the Corporations Act and ASX Listing Rules. Rubik has an obligation (subject to limited exceptions) to notify ASX immediately upon becoming aware of any information which a reasonable person would expect to have a material effect on the price or value of Rubik Shares. Copies of documents filed with ASX may be obtained from ASX's website www.asx.com.au.

In addition, Rubik is also required to lodge various documents with ASIC. Copies of documents lodged with ASIC in relation to Rubik may be obtained from, or inspected at, an ASIC office.

Rubik's full financial accounts, including all notes to those accounts, can be found in Rubik's Annual Financial Reports for the financial years ended 30 June 2016 and half-year ended 31 December 2016, which are available on Rubik's website at www.rubik.com.au. Rubik will also make copies of the 2016 Annual Report and the half-year ended 31 December 2016 report available, free of charge, to Rubik Shareholders.

Requests can be made by contacting the Shareholder Information Line on 1300 728 483 (within Australia) or +61 (0)3 9946 4453 (outside Australia) Monday to Friday between 8:30am and 5:00pm (Sydney time).

8.14 Supplementary information

If Rubik becomes aware of any of the following between the date of lodgement of this Scheme Booklet for registration with ASIC and the Second Court Date:

- a material statement in this Scheme Booklet is false or misleading;
- a material omission from this Scheme Booklet;
- a significant change affecting a matter in this Scheme Booklet; or
- a significant new matter has arisen and it would have been required to be included in this Scheme Booklet if known about at the date of lodgement with ASIC,

depending on the nature and timing of the changed circumstances, and subject to obtaining any relevant approvals, Rubik may circulate and publish any supplementary document by:

- placing an advertisement in a prominently published newspaper which is circulated generally throughout Australia;
- posting the supplementary document to Rubik Shareholders at their registered address as shown in the Register (as applicable); or
- posting a statement on Rubik's website at www.rubik.com.au,

as Rubik in its absolute discretion considers appropriate.

8.15 ASIC relief

Regulation 5.1.01 of the Corporations Regulations requires that, unless ASIC allows otherwise, the Scheme Booklet must contain all of the matters set out in Part 3 of Schedule 8 to the Corporations Regulations. As some of these requirements are not applicable or appropriate in respect of the Scheme, ASIC has allowed the following variations in this Scheme Booklet.

Clause 8302(h) of Part 3 of Schedule 8 of the Corporations Regulations requires the Scheme Booklet to disclose the extent to which the financial position of Rubik has materially changed since the date of the last balance sheet laid before Rubik's general meeting, being its financial statements for the financial year ended 30 June 2016.

ASIC has allowed Rubik to confine its disclosure in this Scheme Booklet to all material changes to Rubik's financial position between 31 December 2016 (being the date of the

latest financial statements for Rubik in the half yearly accounts lodged with the ASX) and the date of this Scheme Booklet on the basis that:

- (a) Rubik has complied with Division 2 of Part 2M.3 of the Corporations Act in respect of the half year ended 31 December 2016;
- (b) Rubik discloses all material changes to its financial position occurring after the half-year ended 31 December 2016 and prior to the date of this Scheme Booklet, in the Scheme Booklet and/or in announcements to the ASX;
- (c) Rubik discloses in announcements to the market operated by ASX, any material changes to its financial position that occur after the date lodgement of the Scheme Booklet for registration with ASIC, but prior to the Scheme being approved by the Court;
- (d) the Scheme Booklet states that Rubik will give a copy of the financial reports for the financial year ended 30 June 2016 and half-year ended 31 December 2016 free of charge to anyone who requests a copy before the Scheme to which the Scheme Booklet relates is approved by order of the Court; and
- (e) the Scheme Booklet sent to Scheme Shareholders is substantially in the form given to ASIC on 24 March 2017.

8.16 Other

(a) Lodgement of Scheme Booklet with ASIC

This Scheme Booklet was lodged with ASIC on 24 March 2017 in accordance with section 411(2)(b) of the Corporations Act.

(b) Other material information

Otherwise than as contained or referred to in this Scheme Booklet, including the Independent Expert's Report and the information that is contained in the Attachments to this Scheme Booklet, there is no other information that is material to the making of a decision by a Rubik Shareholder whether or not to vote in favour of the Scheme Resolution to approve the Scheme, being information that is known to any Rubik Director and which has not previously been disclosed to Rubik Shareholders.

9 Glossary

In this Scheme Booklet unless the context otherwise requires:

\$ means Australian dollars unless otherwise stated.

ASIC means the Australian Securities and Investments Commission.

Associate has the meaning given in section 12 of the Corporations Act as if section 12(1) of that Act included a reference to this deed and Rubik was the designated body.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by it, as the context requires.

ASX Listing Rules means the Listing Rules of the ASX and any other applicable rules of ASX modified to the extent of any express written waiver by ASX.

Business Day means a week day on which trading banks in Sydney are open for trading and the ASX is open for trading.

CGT means capital gains tax.

CHES means the Clearing House Electronic Subregister System, which provides for electronic share transfers in Australia.

Competing Proposal means any inquiry, offer, proposal or expression of interest, transaction or arrangement (including by way of takeover bid or scheme of arrangement) under which, if entered into or ultimately completed substantially in accordance with its terms, a person or two or more persons who are Associates would directly or indirectly:

- (a) acquire a Relevant Interest in or become the holder of or obtain a right to acquire more than 15% of the issued share capital of Rubik;
- (b) acquire, obtain a right to acquire, receive or become the holder of, or otherwise obtain an economic interest in:
 - (i) 50% or more of the issued share capital of Rubik or any material member of the Rubik Group; or
 - (ii) all or a substantial part of the business or property of the Rubik Group; or
- (c) acquire control of Rubik or any material member of the Rubik Group within the meaning of section 50AA of the Corporations Act, disregarding section 50AA(4) of that Act; or
- (d) otherwise acquire or merge with Rubik or any of its controlled entities,

whether by takeover bid, scheme of arrangement, shareholder approved acquisition, capital reduction, share buy-back or repurchase or exchange, sale or purchase of assets or businesses, joint venture, reverse takeover, dual-listed company structure, recapitalisation, establishment of a new holding entity for Rubik or other synthetic merger or any other transaction or arrangement.

Computershare means Computershare Investor Services Pty Ltd (ACN 078 279 277).

Conditions Precedent means the conditions set out in clause 3.1 of the Scheme Implementation Deed and summarised in section 3.4 of this Scheme Booklet.

Corporations Act means the *Corporations Act 2001* (Cth), as amended from time to time.

Corporations Regulations means the *Corporations Regulations 2001* (Cth), as amended from time to time.

Court means the Federal Court of Australia or such other court of competent jurisdiction under the Corporations Act agreed to in writing by Rubik and Temenos.

Court Approval Date means the date when the Court grants its approval to the Scheme under section 411(4) of the Corporations Act.

Deed Poll means the deed poll in the form of Attachment D to this Scheme Booklet, executed by Temenos in favour of Scheme Shareholders.

Effective means the coming into effect, pursuant to section 411(10) of the Corporations Act, of the order of the Court made under section 411(4)(b) of the Corporations Act in relation to this Scheme.

Effective Date means the date on which the Scheme becomes Effective, expected to be Monday, 8 May 2017.

Fiduciary Out means a fiduciary exception in relation to the directors' fiduciary and statutory obligations in clause 8.7 of the Scheme Implementation Deed.

Government Agency means any foreign or Australian government or governmental, semi-governmental, administrative, fiscal, statutory or judicial body, department, commission, authority, tribunal, agency or entity, or any minister of the Crown in right of the Commonwealth of Australia or any state, or any other federal, state, provincial, local or other government, whether foreign or Australian. It also includes any self-regulatory organisation established under statute or otherwise discharging substantially public or regulatory functions (including ASIC and the Takeovers Panel).

GST means a goods and services tax or similar value added tax levied or imposed under the GST Law.

GST Law has the meaning given to it in the A New Tax System (Goods and Services Tax) Act 1999 (Cth).

Headcount Test has the meaning given to it in section 3.5(b) of this Scheme Booklet.

Implementation Date means the fifth Business Day following the Scheme Record Date or such other date as Rubik and Temenos agree in writing.

Independent Expert means the independent expert appointed by Rubik, being Grant Thornton.

Independent Expert's Report means the report prepared by the Independent Expert, a copy of which is set out in Attachment E to this Scheme Booklet.

Last Practicable Trading Date means Friday, 17 March 2017, being the last practicable trading date before the date of this Scheme Booklet.

Material Adverse Change means:

- (a) a change, circumstance, event, occurrence or matter that occurs after 14 February 2017 (or occurs before that date but is only announced or publicly disclosed at a later date), or will or is reasonably certain to occur after 14 February 2017 and which has not been publicly announced prior to that date, which (whether individually or when aggregated with all other changes, events, circumstances, occurrences or matters of a similar kind or category) has resulted in or is reasonably likely to result in:
 - (i) the consolidated net assets of Rubik and each of its Related Bodies Corporate, taken as a whole at the end of any calendar quarter, commencing on 1 January, 1 April, 1 July and 1 October, being reduced by at least \$5,000,000; or
 - (ii) the consolidated earnings before interest, tax, depreciation and amortisation of Rubik and each of its Related Bodies Corporate being reduced by at least \$1,500,000 in any calendar year; or
 - (iii) the result that the business of Rubik and each of its Related Bodies Corporate is unable to be carried on in substantially the same manner as carried on as at 14 February 2017,in each case other than changes, events, occurrences or matters which relate to a Notified Claim; or
- (b) the Rubik Group's financial results for the financial half-year ended 31 December 2016 report revenue or consolidated earnings before interest, tax, depreciation and amortisation of the Rubik Group lower than certain agreed thresholds (see section 3.9 for more information).

Notified Claim is described in section 3.9.

Prescribed Occurrence means has the meaning given in the Scheme Implementation Deed.

Register means the register of Rubik Shareholders kept by Rubik and **Registry** means the manager from time to time of the Register (currently Computershare).

Related Body Corporate has the meaning it has in the Corporations Act.

Relevant Interest has the same meaning as given by sections 608 and 609 of the Corporations Act.

Requisite Majorities means the threshold for approval of the Scheme Resolution set out in section 3.5(b) of this Scheme Booklet, being votes in favour of the resolution received from:

- (a) a majority in number (more than 50%) of Rubik Shareholders who are present and voting at the Scheme Meeting, either in person or by proxy, attorney or in the case of a corporation, its duly appointed corporate representative; and
- (b) at least 75% of the total number of votes cast on the Scheme Resolution at the Scheme Meeting.

Rubik means Rubik Financial Limited (ACN 071 707 232).

Rubik Board means the board of directors of Rubik.

Rubik Director or your director means a director of Rubik as at the date of this Scheme Booklet.

Rubik Group means Rubik and each of its Subsidiaries, and **Rubik Group Member** means any of those entities. **Rubik Share** means a fully paid ordinary share issued in the capital of Rubik.

Rubik Shareholders means each person who is registered in the Register of Rubik as the holder of Rubik Shares.

Scheme means a members' scheme of arrangement pursuant to Part 5.1 of the Corporations Act between Rubik and Scheme Shareholders, on the terms described in Attachment C to this Scheme Booklet, subject to any alterations or conditions made or required by the Court under section 411(6) of the Corporations Act.

Scheme Booklet means this scheme booklet in relation to the Scheme.

Scheme Consideration means \$0.1667 cash for each Rubik Share held by a Scheme Shareholder on the Scheme Record Date.

Scheme Implementation Deed means the Scheme Implementation Deed dated 14 February 2017 between Rubik and Temenos in the form set out in Attachment B of this Scheme Booklet.

Scheme Meeting means the meeting of Rubik Shareholders ordered by the Court to be convened pursuant to section 411(1) of the Corporations Act in relation to the Scheme, and includes any adjournment of that meeting.

Scheme Record Date means 7.00pm (Sydney time) on Monday, 15 May 2017, being the fifth Business Day following the Effective Date.

Scheme Resolution means a resolution of Rubik Shareholders to approve the Scheme, the form of which is set out in the Notice of Scheme Meeting in Attachment A to this Scheme Booklet.

Scheme Share means a Rubik Share on issue as at the Scheme Record Date.

Scheme Shareholder means a holder of Rubik Shares on the Scheme Record Date.

Second Court Date means the first day on which an application made to the Court for an order under section 411(4)(b) of the Corporations Act approving the Scheme is heard (or, if the application is adjourned or subject to appeal for any reason, the day on which the adjourned application is heard), with such hearing being the **Second Court Hearing**.

SSA means the share sale agreement relating to shares in Stargate Information Systems Pty Ltd, between Rubik and others, dated 3 June 2014.

Superior Proposal has the meaning given to it in the Scheme Implementation Deed.

Takeovers Panel means the Takeovers Panel constituted under the *Australian Securities and Investments Commission Act 2001* (Cth).

Temenos means Temenos Group AG.

Temenos Australia means Temenos Solutions Australia Pty Ltd (ACN 617 568 957).

Temenos Information means the information contained in section 5 of this Scheme Booklet, and under the headings "Who is Temenos?", "Who is Temenos Australia?" and "How is

Temenos funding the Scheme Consideration?” in the “Frequently asked questions” section of this Scheme Booklet.

VWAP means volume weighted average price, calculated with reference to Business Days.

Attachment A Notice of Scheme Meeting

Rubik Financial Limited ACN 071 707 232

Notice is hereby given that by an order of the Federal Court of Australia (**Court**) made on 23 March 2017 pursuant to section 411(1) of the Corporations Act 2001 (Cth) (**Corporations Act**) a meeting of the holders of ordinary shares in Rubik Financial Limited ACN 071 707 232 (**Rubik**) will be held on Wednesday, 26 April 2017 at 10.00am (Sydney time), at the offices of Rubik at Level 10, 85 Castlereagh Street, Sydney NSW 2000.

The Court has also directed that Craig Coleman act as Chair of the meeting, and failing him, John Wilson, and has directed the Chair to report the result of the meeting to the Court if the resolution is approved.

Business of the meeting – Scheme Resolution

To consider, and if thought fit, to pass the following resolution in accordance with section 411(4)(a)(ii) of the Corporations Act:

“That, pursuant to and in accordance with section 411 of the Corporations Act, the Scheme, the terms of which are contained in and more particularly described in the Scheme Booklet (of which this Notice of Scheme Meeting forms part) is approved (with or without modification as approved by the Court)”.

By Order of the Court



Darius Coveney
Company Secretary
24 March 2017

Explanatory Notes to Notice of Meeting

To enable you to make an informed decision on the Scheme Resolution, further information on the Scheme is set out in the Scheme Booklet, of which this Notice of Scheme Meeting forms part. Terms used in this Notice of Scheme Meeting have the same meaning as set out in the Glossary in section 9 of the Scheme Booklet.

These notes should be read in conjunction with the Notice of Scheme Meeting.

Requisite Majorities

In accordance with section 411(4)(a)(ii) of the Corporations Act, the Scheme Resolution must be approved by:

- a majority in number of the holders of Rubik Shares present and voting (either in person, by proxy or attorney or in the case of a corporate holder, by a duly appointed corporate representative) at the Scheme Meeting; and
- at least 75% of the votes cast on the Scheme Resolution.

Entitlement to vote

The Court has ordered that, for the purposes of the Scheme Meeting, Rubik Shares will be taken to be held by the persons who are registered as members of Rubik as at 5.00pm (Sydney time) on Monday, 24 April 2017. Accordingly, transfers registered after this time will be disregarded in determining entitlements to vote at the Scheme Meeting.

Methods of Voting

If you are a Rubik Shareholder entitled to vote at the Scheme Meeting, you may do so by:

- attending and voting in person;
- appointing one or two proxies to attend and vote on your behalf, using the proxy form that accompanies the Scheme Booklet;
- appointing an attorney to attend and vote on your behalf, using a power of attorney; or
- in the case of a body corporate, appointing a body corporate representative to attend the Scheme Meeting and vote on your behalf, using a certificate of appointment of body corporate representative complying with section 250D of the Corporations Act. The representative must bring to the Scheme Meeting evidence of his or her appointment including any authority under which it is signed.

Jointly held securities

If Rubik Shares are jointly held, either one of the joint shareholders is entitled to vote. If more than one joint shareholder votes in respect of jointly held shares, only the vote of the shareholder whose name appears first on the register will be counted.

Corporate shareholders

To vote at the Scheme Meeting (other than by proxy or attorney), a corporation that is a Rubik Shareholder must appoint a person to act as its representative. The appointment must comply with section 250D of the Corporations Act. The representative must bring to the Scheme Meeting evidence of his or her appointment including any authority under which it is signed.

Voting by proxy

A Rubik Shareholder entitled to attend and vote at the Scheme Meeting is also entitled to vote by proxy. The proxy form is enclosed with the Scheme Booklet. You may appoint not more than two proxies to attend and act for you at the Scheme Meeting. A proxy need not be a holder of Rubik Shares. If two proxies are appointed, each proxy may be appointed to represent a specified number or proportion of your votes. If no such number or proportion is specified, each proxy may exercise half your votes.

If you do not instruct your proxy on how to vote, your proxy may vote as he or she see fit at the Scheme Meeting.

Please refer to the enclosed proxy form for instructions on completion and lodgement. Please note that proxy forms must be received at the registered office of Rubik or the Registry (whose details are listed below) no less than 48 hours prior to the commencement of the Scheme Meeting.

Voting by Attorney

Powers of attorney must be received by the Registry, or at the registered office, by not later than 10:00am (Sydney time) on Monday, 24 April 2017 (or if the Scheme Meeting is adjourned, at least 48 hours before the resumption of the Scheme Meeting in relation to the resumed part of the Scheme Meeting).

An attorney will be admitted to the Scheme Meeting and given a voting card upon providing at the point of entry to the Scheme Meeting written evidence of their appointment, or their name and address and the identity of their appointer.

The sending of a power of attorney will not preclude a Rubik Shareholder from attending in person and voting at the Scheme Meeting if the Rubik Shareholder is entitled to attend and vote.

Lodgement of proxies and queries

Proxy forms, powers of attorney and authorities should be sent to Rubik at the address specified on the enclosed replay paid envelope or to the address specified below:

Address: Computershare Investor Services Pty Limited, GPO Box 242, Melbourne, Victoria 3001

Facsimile: 1800 783 447 (within Australia) or + 61 (0)3 9473 2555 (outside Australia)

Online: www.investorvote.com.au

Mobile Scan the QR Code on your proxy form and follow the prompts

Custodian Voting For Intermediary Online subscribers only (custodians) please visit www.intermediaryonline.com to submit your voting intentions

Holders of Rubik Shares should contact the Registry at the above address or on 1300 728 483 (within Australia) or +61 (0)3 9946 4453 (outside Australia) Monday to Friday between 8:30am and 5:00pm (Sydney time) with any queries regarding the number of Rubik Shares held, how to vote, and lodgement of proxy forms.

Court approval

If the Scheme Resolution is approved at the Scheme Meeting by the Requisite Majorities, the implementation of the Scheme (with or without modification) will be subject, among other things, to the subsequent approval of the Court.

Attachment B Scheme Implementation Deed

Scheme implementation deed

EXECUTION VERSION

Temenos Group AG

Rubik Financial Limited (ACN 071 707 232)

Contents

Page

1	Defined terms and interpretation	3
2	Agreement to proceed with Transaction	3
3	Conditions precedent	4
4	Scheme	8
5	Implementation	9
6	Public announcements	19
7	Board support of Transaction	19
8	Exclusivity	20
9	Target Break Fee	23
10	Representations and Warranties	25
11	Releases	30
12	Termination	32
13	Confidentiality	34
14	Duty, costs and expenses	34
15	GST	34
16	General	35
	Schedule 1 Dictionary	39
	Schedule 2 Target capital structure	50
	Execution page	51

Date:

14 February 2017

Parties

- 1 **Temenos Group AG** of 2 rue de l'Ecole-de-Chimie, 1205 Geneva, Switzerland (**Bidder**)
 - 2 **Rubik Financial Limited** ACN 071 707 232 of Level 10, 85 Castlereagh Street, Sydney NSW 2000, Australia (**Target**)
-

Background

- A Target has agreed to propose a members' scheme of arrangement pursuant to which Bidder will acquire all the Scheme Shares, and the Target and the Bidder have agreed to implement the Scheme on the terms and conditions of this deed.
- B Bidder has agreed to assist Target in proposing the Scheme.

The parties agree

1 Defined terms and interpretation

1.1 Defined terms

A term or expression which is defined in the dictionary in Schedule 1 has the meaning given to it in the dictionary.

1.2 Interpretation

The interpretation clause in Schedule 1 sets out rules of interpretation for this deed.

2 Agreement to proceed with Transaction

- (a) Target agrees to propose the Scheme on and subject to the terms of this deed.
- (b) Bidder agrees to assist Target in proposing the Scheme on and subject to the terms of this deed.
- (c) Bidder may nominate any wholly-owned Subsidiary of Bidder or any entity that is under common control (**Bidder Nominee**) to acquire the Scheme Shares under the Scheme by giving written notice to Target on or before the date that is 5 Business Days before the First Court Date.
- (d) If Bidder nominates the Bidder Nominee to acquire the Scheme Shares under the Scheme, then:
 - (i) references in this deed to Bidder acquiring the Scheme Shares under the Scheme, or taking any other action under or in respect of the Scheme are to be read as references to the Bidder Nominee doing so;
 - (ii) the parties must procure that the Scheme Shares transferred under the Scheme are transferred to the Bidder Nominee, rather than the Bidder;
 - (iii) Bidder must procure that Bidder Nominee complies with the relevant obligations of Bidder under this deed and under the Scheme; and

- (iv) any such nomination will not relieve Bidder of its obligations under this deed, including the obligation to pay (or procure the payment by Bidder Nominee of) the Consideration in accordance with the terms of the Scheme provided that Bidder will not be in breach of this deed for failing to perform an obligation of Bidder if that obligation is fully discharged by Bidder Nominee.

3 Conditions precedent

3.1 Conditions precedent

Subject to this clause 3, the Scheme will not become Effective until and unless the following Conditions Precedent are satisfied or waived in accordance with clause 3.3.

- (a) **(Court approval)** The Court approves the Scheme in accordance with section 411(4)(b) of the Corporations Act.
- (b) **(Target Shareholder approval)** Target Shareholders approve the Scheme at the Scheme Meeting by the requisite majorities under section 411(4)(a) of the Corporations Act, except to the extent the Court orders otherwise under section 411(4)(a)(ii)(A) of the Corporations Act, as contemplated by clause 3.6.
- (c) **(Restraints)** Before and as at 8:00am on the Second Court Date:
 - (i) there is not in effect any temporary restraining order, preliminary or permanent injunction or other preliminary or final decision, order or decree issued by any court of competent jurisdiction or by any Government Agency, nor is there in effect any other legal restraint or prohibition; and
 - (ii) no action or investigation is announced or commenced by any Government Agency,

which restrains, prohibits, impedes or otherwise impacts upon (or could reasonably be expected to restrain, prohibit or otherwise impact upon) the completion of the Transaction in a material adverse way.

- (d) **(Prescribed Occurrence)** No Prescribed Occurrence occurs between the date of this deed and 8:00am on the Second Court Date.
- (e) **(Material Adverse Change)** No Material Adverse Change occurs between the date of this deed and 8:00am on the Second Court Date.

3.2 Reasonable endeavours

- (a) Target must use its reasonable endeavours to procure that the Conditions Precedent in clauses 3.1(d) and 3.1(e) are satisfied.
- (b) The parties must each use reasonable endeavours to procure that:
 - (i) the Conditions Precedent in clauses 3.1(a), 3.1(b) and 3.1(c) are satisfied; and
 - (ii) there is no occurrence or non-occurrence within their control or the control of any of their related bodies corporate that prevents, or would be reasonably likely to prevent, the satisfaction of any Condition Precedent.
- (c) Without limiting clause 3.2(b) but subject to clause 3.2(d), each party must:

- (i) keep the other party informed of the progress towards satisfaction of the Conditions Precedent; and
- (ii) except to the extent prohibited by a Government Agency:
 - (A) promptly notify the other party of all material communications between it and a Government Agency in connection with any approval or consent required pursuant to a Condition Precedent in clause 3.1 or any action taken or proposed by, or any enquiries made by, a Government Agency in relation to the Transaction (**Regulatory Matter**);
 - (B) promptly provide the other party with copies of all communications referred to in clause 3.2(c)(ii)(A) (where written);
 - (C) before sending any submission or material correspondence to a Government Agency relating to any Regulatory Matter, consult with the other party in relation to, and provide the other party with a draft copy of, such submission or correspondence; and
 - (D) respond to reasonable requests for information that relate to any Regulatory Matter, whether made by the other party, a Government Agency or any other person, at the earliest practicable time.
- (d) Before providing any document or other information to the other party (in this clause 3.2(d), the **Recipient**) pursuant to clause 3.2(c), a party (in this clause 3.2(d), the **Discloser**) may redact any part of that document, or not disclose any part of that information, which contains or is confidential, non-public information (**Sensitive Confidential Information**) if the Discloser reasonably believes that:
 - (i) the Sensitive Confidential Information is of a commercially sensitive nature; or
 - (ii) the disclosure of the Sensitive Confidential Information to the Recipient would be damaging to the commercial or legal interests of the Discloser or any of its related bodies corporate,

and may provide the document or disclose the information to the Recipient with any Sensitive Confidential Information redacted or excluded, provided that, where Sensitive Confidential Information is so redacted or excluded, the Discloser must provide the Recipient with as much detail about the relevant communication, submission or correspondence (and any other relevant circumstances) as is reasonably possible without disclosing Sensitive Confidential Information.

3.3 Waiver of Conditions Precedent

- (a) The Conditions Precedent in clauses 3.1(a) and 3.1(b) cannot be waived.
- (b) The Condition Precedent in clause 3.1(c) is for the benefit of Bidder and Target and any breach or non-fulfilment of that Condition Precedent may only be waived with the written consent of both Bidder and Target (in each party's absolute discretion).
- (c) The Conditions Precedent in clauses 3.1(d) and 3.1(e) are for the sole benefit of Bidder and any breach or non-fulfilment of those Conditions Precedent may only be waived with the written consent of Bidder.

- (d) If a party waives the breach or non-fulfilment of a Condition Precedent, such waiver will not prevent that party from suing the other party for any breach of this deed that resulted in the breach or non-fulfilment of the Condition Precedent.
- (e) Waiver of breach or non-fulfilment of a Condition Precedent does not constitute:
 - (i) a waiver of breach or non-fulfilment of any other Condition Precedent resulting from the same event; or
 - (ii) a waiver of breach or non-fulfilment of that Condition Precedent resulting from any other event.
- (f) A party entitled to waive a Condition Precedent under this clause may do so in its absolute discretion. Any waiver of a Condition Precedent by a party for whose benefit the Condition Precedent applies must take place on or prior to 8.00am on the Second Court Date.

3.4 Termination on failure of Condition Precedent

If:

- (a) there is a breach or non-fulfilment of a Condition Precedent before the End Date and:
 - (i) the breach or non-fulfilment is not waived in accordance with clause 3.3 or cannot be waived because of clause 3.3(a); or
 - (ii) each party having the benefit of that Condition Precedent confirms in writing to the other party that it will not waive the breach or non-fulfilment in accordance with clause 3.3; or
- (b) a Condition Precedent becomes incapable of satisfaction before the End Date and:
 - (i) the breach or non-fulfilment of that Condition Precedent that has occurred or would otherwise occur is not waived in accordance with clause 3.3; or
 - (ii) each party having the benefit of that Condition Precedent confirms in writing to the other party that it will not waive the breach or non-fulfilment of that Condition Precedent that has occurred or would otherwise occur in accordance with clause 3.3; or
- (c) the Scheme has not become Effective by the End Date,

then either party may give the other party written notice (**Consultation Notice**) within 10 Business Days after the relevant event (**Termination Event**). The parties must then consult in good faith with a view to determining whether they can reach agreement with respect to:

- (i) an extension of the time for satisfaction of the relevant Condition Precedent or an extension of the End Date (as the case may be); or
- (ii) the Transaction proceeding by way of alternative means or methods.
- (d) If the parties are unable to reach such agreement within 10 Business Days after a Consultation Notice is given, or if a Consultation Notice is not given within 10 Business Days after a Termination Event, either party (in this clause 3.4, the

Terminating Party) may terminate this deed by giving written notice (**Termination Notice**) to the other party, provided that:

- (i) if the basis upon which the Terminating Party is seeking to terminate this deed is the occurrence of an event described in clause 3.4(a) or 3.4(b), the Terminating Party has the benefit of the relevant Condition Precedent or the Condition Precedent is one referred to in clause 3.3(a); and
 - (ii) there has been no failure by the Terminating Party to comply with its obligations under this deed, where that failure directly and materially contributed to the circumstances forming the basis upon which the Termination Notice was given.
- (e) Where a Termination Notice is validly given under this clause 3.4, this deed will terminate with immediate effect and clause 12.5 will apply.

3.5 Certain notices

Each party must promptly notify the other party in writing if:

- (a) a Condition Precedent has been satisfied, in which case that party must comply with any reasonable request for evidence of such satisfaction made by the other party;
- (b) there is a breach or non-fulfilment of a Condition Precedent;
- (c) it becomes aware of any fact, matter or circumstance that has resulted, will result or is reasonably likely to result in:
 - (i) a Condition Precedent becoming incapable of satisfaction or otherwise not being satisfied in accordance with its terms; or
 - (ii) a material breach of this deed by that party (including any breach of a Representation or Warranty by that party that is reasonably likely to constitute a Material Adverse Change or be material in the context of the Transaction taken as a whole).

3.6 Scheme voted down

If the Scheme is not approved by Target Shareholders at the Scheme Meeting by reason only of the non-satisfaction of the Headcount Test and Bidder considers acting reasonably that Share Splitting or some abusive or improper conduct may have caused or contributed to the Headcount Test not having been satisfied, then Target must:

- (a) apply for an order of the Court contemplated by section 411(4)(a)(ii)(A) of the Corporations Act to disregard the Headcount Test and seek Court approval of the Scheme under section 411(4)(b) of the Corporations Act, notwithstanding that the Headcount Test has not been satisfied; and
- (b) make such submissions to the Court and file such evidence as Counsel engaged by Target to represent it in Court proceedings related to the Scheme, in consultation with Bidder, considers is reasonably required to seek to persuade the Court to exercise its discretion under section 411(4)(a)(ii)(A) of the Act by making an order to disregard the Headcount Test.

4 Scheme

4.1 Scheme

- (a) Target agrees to propose the Scheme on and subject to the terms of this deed and substantially in accordance with the Timetable.
- (b) Target must not consent to any modification of, or amendment to, the Scheme, or to the making or imposition by a court of any condition in respect of the Scheme, without the prior written consent of Bidder (such consent not to be unreasonably withheld).

4.2 Consideration

- (a) If the Scheme becomes Effective:
 - (i) each Scheme Shareholder will be entitled to receive the Consideration under the Scheme, in respect of each Scheme Share held by that Scheme Shareholder; and
 - (ii) all of the Scheme Shares held by each Scheme Shareholder will be transferred to Bidder.
- (b) In consideration of the transfer to Bidder of all the Scheme Shares held by a Scheme Shareholder under the Scheme, on the Implementation Date Bidder will:
 - (i) accept that transfer; and
 - (ii) pay, or procure the payment, into a trust account operated by Target as trustee for the Scheme Shareholders, of an amount in cleared funds equal to the aggregate amount of the Consideration for all Scheme Shares, by no later than the Business Day before the Implementation Date (provided that any interest on the amount so deposited (less bank fees and other charges) will accrue for the benefit of Bidder),

in each case in accordance with the terms of the Scheme.

- (c) Subject to the Scheme becoming Effective and Bidder complying with its obligations under clause 4.2(b), at 10.00am on the Implementation Date, the transactions which form part of the Scheme will be implemented in the following sequence:
 - (i) all Scheme Shares will be transferred to Bidder; and
 - (ii) in exchange, each Scheme Shareholder will receive the Consideration for each Scheme Share held by it, which Target will procure is paid to each Scheme Shareholder from the trust account referred to in clause 4.2(b)(ii).
- (d) Where the calculation of the Scheme Consideration to be provided to a particular Scheme Shareholder would result in the Scheme Shareholder becoming entitled to a fraction of a cent, the fractional entitlement will be rounded up to the nearest whole cent.

4.3 Target incentive plans

- (a) Target represents and warrants to Bidder that as at the date of this deed:

- (i) the Loan Funded Shares, LTIP Shares and Employee Gift Plan Shares on issue are allocated to the persons set out in document reference 07.01.03.03.03 (entitled 2017_0213_Shareholding List for Valuation per share calcs_v2B_gross cash_updated for Schedule 2.xlsx) in the Online Data Room (**Incentive Schedule**); and
 - (ii) the Employee Share Plan Trust holds such number of Treasury Shares as set out in the Incentive Schedule and which are unallocated.
- (b) Target must procure that, subject only to the Scheme becoming Effective, the Loan Funded Shares, LTIP Shares, Employee Gift Plan Shares and Treasury Shares are treated in the manner described in the Disclosure Letter.
 - (c) Target must consult with Bidder in relation to any action taken in connection with clause 4.3(b) above and promptly provide Bidder with all information reasonably requested in relation to the Employee Gift Plan Shares, Loan Funded Shares, LTIP Shares, Treasury Shares or Employee Share Plan Trust.
 - (d) In this clause 4.3:

Employee Gift Plan Shares means Target Shares issued pursuant to the Employee Gift Plan Rules dated 7 October 2015;

Employee Share Plan Trust means the employee share plan trust established pursuant to a trust deed dated 19 October 2015, the trustee of which is Rubik ESOP Trusco Pty Ltd;

Loan Funded Shares means Target Shares issued pursuant to the executive loan share plan, subject to the invitation letters dated 29 April 2015 from Target to Darius Coveney and Iain Dunstan;

LTIP Shares means Target Shares issued pursuant to the Long Term Incentive Plan Rules dated 7 September 2015; and

Treasury Shares means Target Shares held by the Employee Share Plan Trust that are not allocated to employees as Loan Funded Shares, LTIP Shares or Employee Gift Plan Shares.

5 Implementation

5.1 General obligations

Target and Bidder must each:

- (a) use all reasonable endeavours and commit necessary resources (including management and corporate relations resources and the resources of external advisers); and
- (b) procure that its officers and advisers act reasonably and work in a timely and co-operative fashion with the other party (including by attending meetings and by providing information),

to produce the Scheme Booklet and implement the Scheme as soon as reasonably practicable and in accordance with the Timetable.

5.2 Target obligations

Target must, acting reasonably, take all steps reasonably necessary to implement the Scheme substantially in accordance with the Timetable and otherwise as soon as practicable and on and subject to the terms of this deed. Without limiting the foregoing, Target must:

- (a) **(announce directors' recommendation)** following execution of this deed, announce, in the form of its Agreed Public Announcement (on the basis of statements made to Target by each Target Director) that:
 - (i) the Target Board intends to unanimously recommend the Scheme to Target Shareholders and recommend that Target Shareholders vote in favour of the Scheme at the Scheme Meeting; and
 - (ii) each Target Director intends to vote, or cause to be voted, all Target Shares in which he or she has a Relevant Interest in favour of the Scheme at the Scheme Meeting,in each case in the absence of:
 - (iii) a Superior Proposal; or
 - (iv) the Independent Expert concluding in the Independent Expert's Report (or any update or variation to that report) that the Transaction is not in the best interests of Target Shareholders.
- (b) **(Independent Expert)** as soon as reasonably practicable after the date of this deed, appoint the Independent Expert and provide all assistance and information reasonably requested by the Independent Expert in connection with the preparation of the Independent Expert's Report (and any update to any such report);
- (c) **(Copy of Independent Expert's Report)** promptly provide Bidder with a copy of advanced drafts and final report received from the Independent Expert (accepting that any review of the Independent Expert's Report by Bidder is limited to review for factual accuracy, including parts that include information relating to Bidder);
- (d) **(preparation of Scheme Booklet)**
 - (i) subject to clause 5.3(a), prepare the Scheme Booklet (other than the Bidder Information and the Independent Expert's Report) in accordance with all applicable laws (including the Corporations Act and Corporations Regulations), RG 60 and the Listing Rules; and
 - (ii) consult with Bidder as to the content and presentation of the Scheme Booklet, including providing Bidder with material drafts of the Scheme Booklet and the factual information sections relating to Bidder in the Independent Expert's Report, in a timely manner and, acting reasonably and in good faith, consider (and, where applicable, promptly provide to the Independent Expert in writing) all reasonable comments from Bidder and its Representatives on those drafts when preparing revised drafts, provided that such comments are provided to Target in a timely manner (however in relation to the Independent Expert's Report Target makes no representation as to the extent to which the Independent Expert will receive or consider those comments);

(e) **(lodgement of Regulator's Drafts)**

- (i) no later than 14 days before the First Court Date, provide an advanced draft of the Scheme Booklet (**Regulator's Draft**) to ASIC for its review for the purposes of section 411(2) of the Corporations Act, and provide a copy of the Regulator's Draft to Bidder immediately thereafter; and
- (ii) keep Bidder reasonably informed of any material issues raised by ASIC in relation to the Regulator's Draft and, where practical to do so, consult with Bidder in good faith prior to taking any steps or actions to address any such material issues (provided that, where such issues relate to Bidder Information, Target must not take any steps to address them without Bidder's prior written consent, not to be unreasonably withheld);
- (f) **(no objection statement)** apply to ASIC for a statement under section 411(17)(b) of the Corporations Act stating that ASIC has no objection to the Scheme;
- (g) **(First Court Hearing)** apply to the Court for orders under section 411(1) of the Corporations Act directing Target to convene the Scheme Meeting;
- (h) **(due diligence and verification)** undertake appropriate due diligence and verification processes in relation to the Target Information;
- (i) **(approval and registration of Scheme Booklet)** request that, in accordance with section 412(6) of the Corporations Act, ASIC register the Scheme Booklet;
- (j) **(Scheme Meeting)** as soon as reasonably practicable following registration of the Scheme Booklet by ASIC, despatch the Scheme Booklet to Target Shareholders, and convene and hold the Scheme Meeting in accordance with the orders made by the Court at the First Court Hearing;
- (k) **(Director votes and participation)** use its reasonable endeavours to procure that each member of the Target Board votes any Target Shares in which they have a Relevant Interest in favour of the Scheme at the Scheme Meeting and participates in reasonable efforts to promote the Scheme, in the absence of:
 - (i) a Superior Proposal; or
 - (ii) the Independent Expert concluding in the Independent Expert's Report (or any update or variation to that report) that the Transaction is not in the best interests of Target Shareholders;
- (l) **(supplementary disclosure)** if, after despatch of the Scheme Booklet, Target becomes aware:
 - (i) that information included in the Scheme Booklet is or has become false, misleading or deceptive in any material respect (whether by omission or otherwise); or
 - (ii) of information that is required to be disclosed to Target Shareholders under any applicable law or having regard to RG 60 but was not included in the Scheme Booklet,

promptly disclose such information to and consult with Bidder in good faith as to the need for, and form of, any supplementary disclosure to Target Shareholders, and make any such disclosure that it considers reasonably necessary in the circumstances, having regard to applicable laws and RG 60;

- (m) **(Conditions Precedent certificate)** at the Second Court Hearing, provide to the Court (through its counsel):
 - (i) a certificate confirming (in respect of matters within its knowledge) whether or not the Conditions Precedent (other than the Condition Precedent in clause 3.1(a)) have been satisfied or waived in accordance with clause 3, a draft of which certificate must be provided to Bidder by 5:00pm on the Business Day prior to the Second Court Date; and
 - (ii) any certificate provided to it by Bidder pursuant to clause 5.3(g);
- (n) **(Second Court Hearing)** subject to the Conditions Precedent (other than the Condition Precedent in clause 3.1(a)) being satisfied or waived in accordance with clause 3, apply to the Court for orders under section 411(4)(b) of the Corporations Act approving the Scheme;
- (o) **(appeal process)** if the Court refuses to make any orders directing Target to convene the Scheme Meeting or approving the Scheme, Target and Bidder must:
 - (i) consult with each other in good faith as to whether to appeal the Court's decision; and
 - (ii) appeal the court decision, unless the parties agree otherwise or an independent senior counsel opines that, in his or her view, an appeal would have no reasonable prospect of success;
- (p) **(Court Documents)** prepare the Court Documents, provide drafts of those documents to Bidder in a timely manner and, acting reasonably and in good faith, take into account all reasonable comments from Bidder and its Representatives on those drafts, provided that such comments are provided in a timely manner;
- (q) **(Bidder representation at Court Hearings)** allow, and not oppose, any application by Bidder for leave of the Court to be represented by counsel at a Court Hearing;
- (r) **(lodgement of Court order)** for the purposes of section 411(10) of the Corporations Act, lodge with ASIC an office copy of the orders made by the Court under section 411(4)(b) of the Corporations Act approving the Scheme before 5:00pm on the Business Day following the day on which it receives such office copy;
- (s) **(quotation of Target Shares and ASX listing)** apply to ASX to have:
 - (i) trading in Target Shares suspended with effect from the close of trading on the Effective Date; and
 - (ii) Target removed from the official list of ASX, and quotation of Target Shares on the ASX terminated, with effect on and from the close of trading on the Trading Day immediately following, or shortly after, the Implementation Date,

and not do anything to cause any of these things to happen before the time specified in this clause 5.2(s);
- (t) **(information)** provide Bidder with such information and assistance as Bidder reasonably requests, including any copy of the Share Register (including any sub-register), and which is necessary for the purpose of soliciting votes in favour of the

Scheme, preparing the Bidder Information for inclusion in the Scheme Booklet and facilitating the provision of the Consideration to Scheme Shareholders;

- (u) **(compliance with laws)** do everything reasonably within its power to ensure that the Transaction is effected in accordance with all applicable laws, regulations and policy; and
- (v) **(implementation)** if the Scheme becomes Effective, do all things contemplated of it under the Scheme and all other things (if any) necessary for the Target to do to lawfully give effect to the Scheme, including:
 - (i) determining the identity of each Scheme Shareholder and their entitlement to the Consideration as at the Record Date, including by closing the Register as at the Record Date; and
 - (ii) executing proper instruments of transfer of and giving effect to and registering the transfer of the Scheme Shares to Bidder on the Implementation Date.

5.3 Bidder obligations

Bidder must, acting reasonably, take all steps reasonably necessary to implement the Scheme substantially in accordance with the Timetable and otherwise as soon as practicable and on and subject to the terms of this deed. Without limiting the foregoing, Bidder must:

- (a) **(prepare Bidder Information)**
 - (i) as soon as reasonably practicable after the date of this deed, prepare the Bidder Information for inclusion in the Scheme Booklet in accordance with all applicable laws (including the Corporations Act and Corporations Regulations), RG 60 and the Listing Rules; and
 - (ii) provide Target with drafts of the Bidder Information in a timely manner and, acting reasonably and in good faith, take into account all reasonable comments from Target and its Representatives on those drafts, provided that such comments are provided to Target in a timely manner;
- (b) **(assistance with Scheme Booklet and Court Documents)** provide any assistance or information reasonably requested by Target or its Representatives in connection with the preparation of the Scheme Booklet (including any supplementary disclosure to Target Shareholders) or any Court Documents, including reviewing the drafts of the Scheme Booklet prepared by Target and provide comments in a timely manner on those drafts in good faith;
- (c) **(Independent Expert's Report)** subject to the Independent Expert agreeing to reasonable confidentiality restrictions, provide any assistance or information reasonably requested by Target or its Representatives, or by the Independent Expert, in connection with the preparation of the Independent Expert's Report (and any update or variation to any such report);
- (d) **(due diligence and verification)** undertake appropriate due diligence and verification processes in relation to the Bidder Information;
- (e) **(confirmation of Bidder Information)** promptly after Target requests that it does so, confirm in writing to Target that:

- (i) it consents to the inclusion of the Bidder Information in the Scheme Booklet, in the form and context in which the Bidder Information appears; and
 - (ii) the Bidder Information in the Scheme Booklet is not misleading or deceptive in any material respect (whether by omission or otherwise), and the inclusion of such Bidder Information, in that form and context, has been approved by the Chief Financial Officer or Chief Operating Officer of the Bidder;
- (f) **(update Bidder Information)** promptly advise Target in writing if it becomes aware:
 - (i) of information which should have been but was not included in the Bidder Information in the Scheme Booklet (including if known at the time), and promptly provide Target with the omitted information; or
 - (ii) that the Bidder Information in the Scheme Booklet is misleading or deceptive in any material respect (whether by omission or otherwise), and promptly provide Target with any information required to correct the misleading or deceptive statements;
- (g) **(Conditions Precedent certificate)** before 8:00am on the Second Court Date, provide to Target for provision to the Court at the Second Court Hearing a certificate confirming (in respect of matters within its knowledge) whether or not the Conditions Precedent (other than the Condition Precedent in clause 3.1(a)) have been satisfied or waived in accordance with clause 3, a draft of which certificate must be provided to Target by 5:00pm on the Business Day prior to the Second Court Date;
- (h) **(representation at Court)** ensure that it is represented by counsel at the First Court Hearing and the Second Court Hearing, at which, through its counsel, Bidder will undertake (if requested by the Court) to do all such things and take all such steps within its power as are reasonably necessary in order to ensure the fulfilment of its obligations under this deed, the Scheme and to, so far as reasonably practicable, ensure that the Court makes an order under section 411(4)(b) of the Corporations Act approving the Scheme;
- (i) **(Scheme Consideration)** if the Scheme becomes Effective, pay or procure the payment of the Scheme Consideration in the manner and in the amount contemplated by clause 4.2 of this deed, the terms of the Scheme and the Deed Poll;
- (j) **(share transfer)** if the Scheme becomes Effective, accept a transfer of the Scheme Shares as contemplated by clause 4.2(b) and execute instruments of transfer in respect of the Scheme Shares;
- (k) **(Deed Poll)** before 5:00pm on the Business Day prior to the First Court Date, enter into the Deed Poll and deliver it to Target, and, if the Scheme becomes Effective, fully comply with its obligations under the Deed Poll; and
- (l) **(compliance with laws)** do everything reasonably within its power to ensure that the Transaction is effected in accordance with all applicable laws, regulations and policy.

5.4 Scheme Booklet

- (a) If the parties are unable to agree on the form or content of a particular part of the Scheme Booklet, then:
 - (i) if the relevant part of the Scheme Booklet is Bidder Information, Target will make such amendments to that part of the Scheme Booklet as required by Bidder (acting reasonably and in good faith); and
 - (ii) in any other case, Target (acting reasonably and in good faith) will decide the form and content of that part of the Scheme Booklet.
- (b) The parties agree that the Scheme Booklet will contain a responsibility statement to the effect that:
 - (i) Target is responsible for the Target Information contained in the Scheme Booklet;
 - (ii) Bidder is responsible for the Bidder Information contained in the Scheme Booklet; and
 - (iii) the Independent Expert is responsible for the Independent Expert's Report, and none of Target, Bidder or their respective directors or officers assumes any responsibility for the accuracy or completeness of the Independent Expert's Report.

5.5 Conduct of business

- (a) Subject to clause 5.5(b), from the date of this deed up to and including the Implementation Date, Target must:
 - (i) ensure that the business of the Target Group is conducted:
 - (A) in the usual and ordinary course;
 - (B) in a manner generally consistent with the manner in which such business has been conducted in the 12 months prior to the date of this deed; and
 - (C) in accordance with all applicable laws in all material respects;
 - (ii) not, and must ensure that its Related Bodies Corporate do not, other than in the ordinary course of business:
 - (A) do or cause to be done, or fail to do or cause not to be done, anything that would or may result in the Scheme not being implemented or being implemented otherwise than in accordance with the Timetable and the terms of this deed, provided that this clause 5.5(a)(ii) does not require a standard of conduct higher than that set out in clause 3.2 in respect of the satisfaction of the Conditions Precedent; or
 - (B) authorise, commit or agree to do any of the matters set out above;
 - (iii) make reasonable endeavours to maintain and preserve the Target Group's relationships with material joint venturers, customers, suppliers, investors, Government Agencies, licensors, licensees and others with whom the Target Group has material business dealings;

- (iv) provide such assistance as Bidder reasonably requests to facilitate the refinancing of any Target Group financing with effect from completion of the Transaction;
- (v) use reasonable endeavours act cooperatively with Bidder to obtain the consents to the transactions contemplated by the Scheme of any relevant person who has rights in respect of change of control or similar provisions in any significant contracts (including all Material Contracts) or any joint venture documentation;
- (vi) use reasonable endeavours to retain the services of its Relevant Employees;
- (vii) use reasonable endeavours to ensure there is no material decrease in the amount of cash in the Target Group other than as:
 - (A) used in the ordinary course of business; or
 - (B) a result of reasonable costs incurred directly in relation to the Transaction;
- (viii) other than with the prior approval of Bidder (which approval must not be unreasonably withheld or delayed) or as required by law or this deed, Target must not, and must ensure that each member of the Target Group does not:
 - (A) enter into, amend or terminate a Material Contract;
 - (B) increase the remuneration of (including with regard to superannuation benefits) or benefits provided to or pay any bonus, or accelerate the right to compensation or bonuses, or otherwise vary or terminate the employment agreements with its officers or a Relevant Employee (other than in accordance with existing arrangements or where reasonably necessary in the ordinary course, including in connection with a usual annual pay review);
 - (C) issue any securities or options to or accelerate the rights of any of its officers or employees to benefits of any kind;
 - (D) pay an officer, executive or employee a termination or retention payment, other than as provided for in an existing employment contract in place as at the date of this deed and fairly disclosed in the Disclosure Materials;
 - (E) hire any new employee other than a replacement for any departing existing employee or where reasonably necessary in the ordinary course of business in each case on terms that are reasonable in the circumstances;
 - (F) change any accounting practices or policy applied by a member of the Target Group to report their financial position other than any change required by a change in accounting standards;
 - (G) settle or compromise or make any concessions in relation to any material Tax claims, liabilities or disputes or make any election in relation to Tax, or otherwise engage in any transaction, act or event which gives rise to any Tax liability which is outside the ordinary course of business as it was conducted prior to the date of this deed;

- (H) dispose of any securities, business, asset, interest in a joint venture, entity or undertaking, the value of which exceeds \$2 million, to any person other than another entity in the Target Group;
 - (I) acquire any securities, business, asset, interest in a joint venture, entity or undertaking from another person other than another entity in the Target Group, excluding any capital expenditure or project expenditure which does not exceed \$500,000 individually or \$2 million in aggregate;
 - (J) settle any legal proceedings, claim, investigation, arbitration or other like proceedings for an amount greater than \$100,000, provided that in the case of any Notified Claim, Target must not take any material action in respect of that Notified Claim (including, without limitation, settling that Notified Claim, bringing any claim or counterclaim, engaging in correspondence, instructing advisers, or varying accounting treatment in respect of that Notified Claim) without consent of the Bidder (such consent not to be unreasonably withheld or delayed), and Target must promptly provide Bidder with any relevant documents or information received in relation to any Notified Claim;
 - (K) amend in any material respect any arrangement with its financial advisers in respect of the transactions contemplated by this deed;
 - (L) grant any licence, assignment or other right or interest in respect of intellectual property owned by the Target Group, other than in the ordinary course of business;
 - (M) except in the ordinary course of business, disclose any material source code for the Target Group's products to any person, except to the extent that the source code is publicly available as at the date of this agreement; or
 - (N) authorise, commit or agree to do any of the matters set out above;
- (ix) ensure that no Prescribed Occurrence occurs; and
- (x) ensure that the Target Group does not enter into any lines of business which are different to the Existing Business Lines.
- (b) Nothing in clause 5.5(a) restricts the ability of Target to take any action which:
- (i) is expressly required or permitted by this deed or the Scheme;
 - (ii) has been fairly disclosed to Bidder in the Disclosure Materials;
 - (iii) has been fairly disclosed by Target in any announcement to or filing with ASX or in a document lodged by Target with ASIC that is publicly available, in each case between 1 January 2014 and the Business Day prior to the date of this deed;
 - (iv) has been agreed to in writing by Bidder;
 - (v) ensures that directors' and officers' run-off insurance cover for the directors and officers of Target and each member of the Target Group is maintained on terms and at such costs which are reasonable and standard for a company similar to Target or a member of the Target Group (as the case

may be) for a period of 7 years from the resignation or retirement date of each such director and officer; or

- (vi) is required by law or by any applicable governmental or other regulatory authority.
- (c) In this deed, unless the context requires otherwise, references to the business or assets of the Target Group are to that business or those assets taken as a whole.
- (d) For the avoidance of doubt, nothing in this clause 5.5 restricts the ability of Target to respond to a Competing Proposal to the extent permitted under and in accordance with clause 8.

5.6 Transaction Implementation Committee

- (a) The parties must establish a Transaction Implementation Committee as soon as reasonably practical after the date of this deed. The role of the Transaction Implementation Committee will be to act as a forum for consultation and planning by the parties to:
 - (i) implement the Scheme; and
 - (ii) subject to clause 5.6(b), ensure the smooth transition of the management of the business and affairs of the Target Group to Bidder following the implementation of the Scheme.
- (b) Subject to this deed, nothing in this clause 5.6 requires either party to act at the direction of the other. The business of each party will continue to operate independently from the other until the Implementation Date. The parties agree that nothing in this deed constitutes the relationship of a partnership or a joint venture between the parties.

5.7 Access

From the date of this deed until the Implementation Date, Target must use reasonable endeavours to procure that Bidder is provided with reasonable, non-disruptive access during normal business hours and on reasonable notice to information, premises and senior executives of any member of the Target Group, where Bidder requests such access for the purposes of:

- (a) implementation of the Transaction; or
- (b) obtaining an understanding, or furthering its understanding, of the Target Group or its business or assets in order to allow Bidder to develop, finalise and implement its plans for the Target Group following implementation of the Transaction,

provided that Target does not provide any warranties in respect of information provided after the date of this deed, and compliance with a request for access would not, in the reasonable opinion of Target (acting in good faith), result in undue disruption to the Target Group's business, and provided that nothing in this clause 5.7 shall require Target to provide Bidder with any information:

- (c) in breach of an obligation of confidentiality to any person; or
- (d) concerning the consideration of the Transaction or any actual or potential Competing Proposal by the Target Board (or a sub-committee of the Target Board) or Target management.

5.8 Resignation of directors

Subject to provision of the Consideration in accordance with clause 4.2, Target must procure that, with effect on and from the Implementation Date:

- (a) those persons nominated by Bidder are appointed to the Target Board and the boards of other members of the Target Group, provided that:
 - (i) such persons sign consents to act as a director of the relevant member(s) of the Target Group; and
 - (ii) such consents to act are provided to Target before the Implementation Date; and
- (b) those Target Directors and directors of other members of the Target Group, as nominated by Bidder, resign as a director of the relevant member(s) of the Target Group and provide written notice to the effect that they have no claim outstanding for loss of office, remuneration or otherwise against Target (provided that nothing in this clause 5.8(b) requires any such director to forego any rights they may have under any deed of access and indemnity or policy of directors and officers insurance).

6 Public announcements

- (a) Immediately after execution of this deed, each of Target and Bidder must release its respective Agreed Public Announcement.
- (b) Subject to clause 6(c), before making any public announcement in relation to the Transaction (whether through the ASX or otherwise), a party must provide the other party with a draft copy of the relevant portion of such public announcement as soon as reasonably practicable before it is proposed that such public announcement is made, and must give the other party a reasonable opportunity to comment on the form and content of the relevant portion of such draft announcement and must take into account all reasonable comments from that party and its Representatives on the draft.
- (c) A party will only be required to comply with clause 6(b) if and to the extent that compliance would not, in the reasonable opinion of that party, be likely to result in that party breaching its continuous disclosure obligations.

7 Board support of Transaction

7.1 Confirmation of Recommendations and Voting Intentions

Target represents and warrants to Bidder that each Target Director has confirmed (by way of a unanimous resolution of the Target Board) that:

- (a) his or her recommendation in respect of the Scheme is that Target Shareholders vote in favour of the Scheme at the Scheme Meeting (**Recommendation**); and
- (b) he or she intends to vote, or cause to be voted, all Target Shares in which he or she has a Relevant Interest in favour of the Scheme at the Scheme Meeting (**Voting Intention**),

in each case in the absence of:

- (c) a Superior Proposal; or
- (d) the Independent Expert concluding in the Independent Expert's Report (or any update or variation to that report) that the Transaction is not in the best interests of Target Shareholders.

7.2 Maintenance of Recommendations and Voting Intentions

- (a) Target must use its reasonable endeavours to ensure that no Target Director withdraws, changes or modifies a Recommendation or Voting Intention unless:
 - (i) a Superior Proposal is made; or
 - (ii) the Independent Expert concludes in the Independent Expert's Report (or any update or variation to that report) that the Transaction is not in the best interests of Target Shareholders.
- (b) Subject to a Target Director withdrawing or changing a Recommendation or Voting Intention following the occurrence of either of the events referred to in clause 7.2(a) applies, Target must ensure that:
 - (i) the Scheme Booklet includes statements to the effect that that Target Director gives the Scheme Recommendation and has the Voting Intention; and
 - (ii) no public announcement or statement to any broker, analyst, journalist, Target Shareholder or professional or institutional investor is made by Target or that Target Director, which is inconsistent with that Target Director giving the Recommendations and having the Voting Intentions.
- (c) Without limiting clause 8, if a Target Director gives notice that he or she intends to withdraw, change or modify a Recommendation or Voting Intention following the occurrence of one of the events referred to in clause 7.2(a):
 - (i) Target must notify Bidder in writing immediately; and
 - (ii) the parties must, acting reasonably, consult for 2 Business Days after the date on which the notification is given to consider and determine whether the Recommendation or Voting Intention in place at the time can be maintained.

7.3 Bidder acknowledgement

Bidder acknowledges that, without derogating from a party's rights under clause 12 but subject to clause 7.2(c), if any of the events in clause 7.2(a) occur, then any Target Director may change, withdraw or modify their Recommendation or Voting Intention.

8 Exclusivity

8.1 Existing discussions

On the date of this deed, Target must, and must procure that each of its Representatives:

- (a) cease any discussions with any Third Party in relation to a potential Competing Proposal; and

- (b) cease the provision of any due diligence access and the making available of any non-public information in relation to the Target Group (**Non-Public Information**) to any Third Party, where the due diligence access and provision of Non-public Information was for the purposes of or in connection with, a potential Competing Proposal and promptly procure the return or destruction of any such Non-Public Information by any Third Party.

8.2 No-shop

During the Exclusivity Period, except with the prior written consent of Bidder, Target must not and must ensure that its Representatives do not directly or indirectly:

- (a) solicit, invite, encourage, respond to or initiate any Competing Proposal;
- (b) respond to or facilitate any enquiries, negotiations or discussions with any Third Party in relation to, or that may reasonably be expected to lead to, a Competing Proposal;
- (c) enter into any letter of intent, memorandum of understanding or other agreement regarding, any inquiries or proposals concerning, or participate in any discussions or negotiations with any person (other than the Bidder) concerning, or enter into or agree to, a Competing Proposal; or
- (d) communicate any intention to do any of the things set out in paragraphs (a) to (c) above.

8.3 No-talk

Subject to clause 8.7, during the Exclusivity Period, Target must not and must ensure that its Representatives do not (whether directly or indirectly):

- (a) negotiate or enter into or participate in negotiations or discussions with any person; or
- (b) communicate any intention to do any of these things,

in relation to, or that may reasonably be expected to lead to, a Competing Proposal, even if:

- (c) the Competing Proposal was not directly or indirectly solicited, invited, encouraged or initiated by Target; or
- (d) that person has publicly announced the Competing Proposal.

8.4 No due diligence

- (a) Without limiting the general nature of clause 8.3 but subject to clause 8.7, during the Exclusivity Period, Target must not and must ensure that its Representatives do not (whether directly or indirectly):
 - (i) solicit, invite, facilitate or encourage any party (other than Bidder or its Representatives) to undertake a due diligence investigation of Target, any member of the Target Group or its business or its operations in relation to a Competing Proposal; or

- (ii) make available to any person, or permit any person to receive, any non-public information relating to Target, any member of the Target Group or its business or its operations in relation to a Competing Proposal.
- (b) Target must not permit any person to undertake diligence investigations to the extent permitted under clause 8.7 unless and until that person has executed a confidentiality agreement which includes terms and conditions no less onerous to the person than apply to Bidder under the Confidentiality Agreement.

8.5 Notice of Unsolicited Approach

During the Exclusivity Period, Target must inform Bidder within 2 Business Days if it, or if it becomes aware that any of its Representatives:

- (a) receives any unsolicited approach with respect to any Competing Proposal and must disclose to Bidder the fact that such an approach has been made and:
 - (i) all material details of the Competing Proposal; and
 - (ii) subject to clause 8.7, the identity of the proposed bidder or acquirer;
- (b) receives any request for information relating to Target or any of its Related Bodies Corporate or any of their businesses or operations or any request for access to the books or records of Target or any of its Related Bodies Corporate, which Target has reasonable grounds to suspect may relate to a current or future Competing Proposal; or
- (c) provides any information relating to Target or any of its Related Bodies Corporate or any of their businesses or operations to any person in connection with or for the purposes of a current or future Competing Proposal.

8.6 Matching right

- (a) Without limiting any other part of this clause 8, Target must not enter into any agreement or arrangement to give effect to or in relation to or in connection with the implementation of a Competing Proposal (in this clause 8.6, a **Rival Proposal**) and must use its best endeavours to procure that no Target Directors withdraws, changes or modifies a Recommendation or Voting Intention or publicly recommends, endorses or supports a Rival Proposal unless:
 - (i) the Rival Proposal is a Superior Proposal;
 - (ii) Target has given Bidder written notice (**Matching Right Notice**) of the consideration, conditions, structure and other key terms of the Rival Proposal; and
 - (iii) Bidder does not, within 3 Business Days after receiving the Matching Right Notice, make a written proposal (**Bidder Proposal**) to Target in respect of an improvement to the Scheme Consideration or an alternative transaction or arrangement that the Target Board determines, acting in good faith, would result in an outcome more favourable or no less favourable for Target Shareholders as a whole as would result from the Rival Proposal (assuming that both the Bidder Proposal and Rival Proposal would be implemented in accordance with their terms) (**Matching Right Determination**).
- (b) Target must ensure that, as soon as practicable after:

- (i) receipt of a Bidder Proposal, the Target Board considers, acting reasonably, taking into account all terms, conditions, financial, regulatory and other aspects of the Bidder Proposal and Rival Proposal, whether the Matching Right Determination can be made; and
 - (ii) the Target Board has considered this matter, Bidder is notified of the Target Board's decision in writing.
- (c) If the Target Board makes the Matching Right Determination, Bidder and Target must use reasonable endeavours to promptly agree such matters, and take such other steps, as are reasonably necessary to give effect to the Bidder Proposal (including entering into an amending deed in respect of amendments to this deed).
 - (d) Target acknowledges and agrees that each successive modification of any Rival Proposal will constitute a new Rival Proposal for the purposes of the requirements under this clause 8.6 and accordingly Target must comply with clause 8.6(a) and 8.6(b) in respect of any new Rival Proposal.

8.7 Fiduciary exception

Clauses 8.3, 8.4 and 8.5(a)(ii) do not prevent Target or its Representatives from taking or refusing to take any action with respect to a bona fide written Competing Proposal (which was not encouraged, solicited, invited or initiated by Target or its Representatives in breach of this clause 8) if the Target Board, acting in good faith and reasonably, determines:

- (a) after consultation with its advisers that the Competing Proposal is a Superior Proposal or the steps which the Target Board proposes to take may reasonably be expected to lead to a Competing Proposal which is a Superior Proposal; and
- (b) after receiving written legal advice from Target's reputable external legal advisers, that failing to respond to the Competing Proposal would be reasonably likely constitute a breach of its fiduciary or statutory duties.

9 Target Break Fee

9.1 Background

This clause 9 has been agreed to in circumstances where:

- (a) each party believes that it and its shareholders and/or investors will derive significant benefits from the implementation of the Transaction;
- (b) Bidder has incurred and will further incur significant costs in connection with the Transaction, which will include significant opportunity costs if the Transaction is not implemented;
- (c) Bidder has requested that provision be made for the payment of the Target Break Fee by Target, and would not have entered into this deed had such provision not been made;
- (d) Target believes that it is appropriate to agree to pay the Target Break Fee to secure Bidder's entry into this deed; and
- (e) each party has received separate legal advice in relation to this deed and the operation of this clause 9.

The parties acknowledge and agree that the costs referred to in clause 9.1(b) are of such a nature that they cannot be precisely quantified, but that the Target Break Fee is a genuine and reasonable pre-estimate of a proportion of those costs.

9.2 Payment of Target Break Fee

Subject to clauses 9.3, 9.5, 9.6 and 9.7, Target must pay Bidder the Target Break Fee (without set-off or withholding) within 10 Business Days after receipt of a written demand from Bidder if any of the following events occur:

- (a) at any time before the earlier to occur of the End Date and the date this deed is terminated in accordance with its terms, a Competing Proposal is made or announced by a Third Party, and, within 9 months thereafter a Competing Proposal of the type referred to in paragraph (b), (c) or (d) of the definition of Competing Proposal is completed, implemented or consummated by the Third Party or any of its Associates;
- (b) Bidder becomes entitled to terminate this deed under clause 12.1(b), 12.2(b) or 12.2(d);
- (c) Bidder becomes entitled to terminate this deed under clause 12.2(e) and the relevant event, matter, circumstance or occurrence was within the control of the Target;
- (d) Bidder becomes entitled to terminate this deed under clause 12.2(c) and the relevant event, matter, circumstance or occurrence giving rise to the breach of the relevant Target Representation and Warranty was:
 - (i) known by the Target but not known to the Bidder at the date of this deed;
 - (ii) within the control of the Target; or
 - (iii) a result of a deliberate failure of the Target to take reasonable steps to prevent the event, matter, circumstance or occurrence; or
- (e) Bidder becomes entitled to terminate this deed under clause 12.2(a) or the Target terminates this deed under clause 12.3(a) (other than in circumstances where the Independent Expert concludes in the Independent Expert's Report (or any update or variation to that report) that the Transaction is not in the best interests of Target Shareholders and that conclusion is not based wholly or in part on the existence of a Competing Proposal).

9.3 Payment conditions

- (a) Notwithstanding the occurrence of any event referred to in clause 9.2, the Target Break Fee will not be payable if the Scheme becomes Effective. The Target Break Fee must be refunded to Target within 10 Business Days after the Scheme becomes Effective if it was paid to Bidder before that time.
- (b) Target can only ever be liable to pay the Target Break Fee once.

9.4 Nature of payment

The Target Break Fee is an amount to compensate Bidder for the following costs and expenses:

- (a) external advisory costs (excluding success fees);

- (b) internal costs such as costs of management and directors' time, risk management costs and capital costs;
- (c) out-of-pocket expenses; and
- (d) opportunity costs incurred in pursuing the Transaction or in not pursuing other alternative acquisitions or strategic initiatives which otherwise could have been developed or pursued.

9.5 Compliance with law

This clause 9 does not impose any obligations on Target to pay the Target Break Fee to the extent that the performance of those obligations:

- (a) constitutes unacceptable circumstances as declared by the Takeovers Panel; and
- (b) after all proper avenues of appeal and review, whether judicial or otherwise, have been exhausted, is held to be unenforceable by a court.

If the Target Break Fee is paid to Bidder and clause 9.5(a) or 9.5(b) applies, Bidder must refund the relevant part of the Target Break Fee (if any) to Target within 10 Business Days after receipt of a written demand from Target. No party may make, or cause or permit to be made, an application for a declaration or order referred to in clause 9.5(a) or 9.5(b).

9.6 Other claims

The maximum aggregate amount which the Target is required to pay in relation to a breach of this deed (including in respect of a breach or representation and warranty) is an amount equal to the Target Break Fee and in no event will the aggregate liability of the Target under or in connection with a breach of this deed exceed an amount equal to the Target Break Fee.

9.7 Exclusive Remedy

Notwithstanding any other provision of this deed:

- (a) the maximum liability of the Target to Bidder under or in connection with this deed, including in respect of any breach of the deed, will be the Target Break Fee; and
- (b) a payment by the Target in full satisfaction of amounts owing under this clause 9 represents the sole and absolute liability of the Target under or in connection with this deed and no further damages, fees, expenses or reimbursements of any kind will be payable by the Target in connection with this deed.

10 Representations and Warranties

10.1 Bidder Representations and Warranties

Bidder represents and warrants to the Target that:

- (a) **(validly existing)** it is a validly existing corporation registered under the laws of its place of incorporation;
- (b) **(power)** it has full corporate power and lawful authority to execute, deliver and perform this deed and the Deed Poll;

- (c) **(corporate action)** it has taken all necessary corporate action to authorise the entry into this deed and has taken or will take all necessary corporate action to authorise the performance of this deed and the Deed Poll;
- (d) **(binding)** this deed is its valid and binding obligation enforceable in accordance with its terms;
- (e) **(performance)** the execution and performance by it of this deed did not and will not violate or breach any provision of:
 - (i) a law or treaty or a judgment, ruling, order or decree binding on it; or
 - (ii) its constitution;
- (f) **(Bidder Information)** the Bidder Information included in the Scheme Booklet with its consent pursuant to clause 5.3(e)(ii), and any other information provided by it pursuant to clause 5.3(f), will not be misleading or deceptive in any material respect (with any statement of belief or opinion having been formed on a reasonable basis), including by way of omission or otherwise, and will comply in all material respects with applicable laws (including the Corporations Act and Corporations Regulations), RG 60 and the Listing Rules;
- (g) **(basis of Bidder Information)** the Bidder Information:
 - (i) will be provided to Target in good faith and on the understanding that Target and each other Target Indemnified Party will rely on that information for the purposes of preparing the Scheme Booklet and proposing the Scheme; and
 - (ii) will comply in all material respects with the requirements of the Corporations Act, Corporations Regulations, RG 60 and the Listing Rules,

and all information provided by Bidder to the Independent Expert will be provided in good faith and on the understanding that the Independent Expert will rely on that information for the purpose of preparing the Independent Expert's Report;
- (h) **(new information)**: it will, as a continuing obligation, provide to Target all further or new information which arises after the Scheme Booklet has been despatched to Target Shareholders until the date of the Scheme Meeting which is necessary to ensure that the Bidder Information is not misleading or deceptive (including by way of omission); and
- (i) **(Insolvency Event or regulatory action)**: no Insolvency Event has occurred in relation to it or another member of the Bidder Group, nor has any regulatory action of any nature of which it is aware been taken that would prevent or restrict its ability to fulfil its obligations under this deed.

10.2 Bidder's indemnity

Bidder agrees to indemnify Target and each of the Target Indemnified Parties against any claim, action, damage, loss, liability, cost, expense or payment of whatever nature and however arising that Target or any of the other Target Indemnified Parties suffers, incurs or is liable for arising out of any breach of any of the Bidder Representations and Warranties.

10.3 Target Representations and Warranties

Target represents and warrants to Bidder that:

- (a) **(validly existing)** it is a validly existing corporation registered under the laws of its place of incorporation;
- (b) **(power)** it has full corporate power and lawful authority to execute, deliver and perform this deed and the Scheme;
- (c) **(corporate action)** it has taken all necessary corporate action to authorise the entry into this deed and has taken or will take all necessary corporate action to authorise the performance of this deed and the Scheme;
- (d) **(binding)** this deed is a valid and binding obligation on Target, enforceable in accordance with its terms;
- (e) **(performance)** the execution and performance by it of this deed did not and will not violate or breach any provision of:
 - (i) a law or treaty or a judgment, ruling, order or decree binding on it; or
 - (ii) its constitution;
- (f) **(capital structure)** as at the date of this deed, its capital structure is as set out in Schedule 2 and, other than as set out in Schedule 2:
 - (i) it has not issued any other Target Shares or other securities, rights or instruments which are still outstanding and may convert into, or give the holder the right to be issued, Target Shares; and
 - (ii) it is not under any obligation to issue, and no person has any right to require or call for the issue of, any Target Shares or other securities, rights or instruments issuable by Target or any Target Group Member (whether such obligation or right is conditional or otherwise) other than under an existing employment arrangement fairly disclosed in the Disclosure Materials;
- (g) **(Target Information)** the Target Information included in the Scheme Booklet, and any supplementary disclosure made to Target Shareholders pursuant to clause 5.2(I) (excluding any information provided by Bidder), will not be misleading or deceptive in any material respect (with any statement of belief or opinion having been formed on a reasonable basis), including by way of omission or otherwise, and will comply in all material respects with applicable laws, including (in respect of the Target Information) the Corporations Act, Corporations Regulations, RG 60 and the Listing Rules;
- (h) **(basis of Target Information)** the Target Information:
 - (i) will be prepared and included in the Scheme Booklet in good faith and on the understanding that Bidder and each other Bidder Indemnified Party will rely on that information for the purpose of determining to proceed with the Transaction; and
 - (ii) will comply in all material respects with the requirements of the Corporations Act, Corporations Regulations, RG 60 and the Listing Rules,

and all information provided by Target to the Independent Expert will be provided in good faith and on the understanding that the Independent Expert will rely on that information for the purpose of preparing the Independent Expert's Report;

- (i) **(new information)** it will, as a continuing obligation (but in respect of the Bidder Information, only to the extent that Bidder provides Target with updates to the Bidder Information), ensure that the Scheme Booklet is updated to include all further or new information which arises after the Scheme Booklet has been despatched to Target Shareholders until the date of the Scheme Meeting which is necessary to ensure that the Bidder Information is not misleading or deceptive (including by way of omission);
- (j) **(continuous disclosure)** it is in compliance in all material respects with its continuous disclosure obligations under Listing Rule 3.1 and as at the date of this deed, is not relying on the carve out in Listing Rule 3.1A to withhold any information from disclosure (other than the transactions contemplated by this deed or fairly disclosed in the Disclosure Materials);
- (k) **(disclosure)** so far as Target is aware, Target has provided to Bidder all material information actually known to it as at the date of this deed regarding matters affecting or relating to it:
 - (i) which is not already in the public domain; and
 - (ii) the disclosure of which might reasonably be expected to have resulted in Bidder not entering into this agreement at all or only entering into this agreement on materially different terms;
- (l) **(complete and accurate)** so far as Target is aware as at the date of this deed, the Disclosure Materials are in all material respects not misleading or deceptive, whether by way of omission or otherwise;
- (m) **(related party transactions)** the Disclosure Materials contain copies of all material agreements and arrangements between any Target Group Member and any director of the Target Group and any person with a Substantial Holding in the Target or their respective Associates;
- (n) **(compliance)** so far as the Target is aware, the Target Group has complied in all material respects with all applicable laws and have all material licences, permits and franchises necessary for them to conduct their respective businesses as presently being conducted (where a material licence or permit for the purposes of this paragraph means a licence or permit absent which, if the Target Group was conducting its business as it is presently conducted, would be reasonably likely to result in a Material Adverse Change);
- (o) **(no default)** so far as the Target is aware, no Target Group member is in material default under any Material Contract, or any other document, agreement or instrument binding on it or its assets where a default would be reasonably likely to result in a Material Adverse Change, nor has anything occurred which is or would with the giving of notice or lapse of time constitute an event of default, prepayment event or similar event, or give another party thereto a termination right or right to accelerate any right or obligation, under any such document or agreement with such an effect;
- (p) **(litigation or regulatory investigation)** so far as the Target is aware, there is no litigation or regulatory investigations commenced or threatened against any member of the Target Group other than to the extent of any Notified Claim which would be reasonably likely to result in a Material Adverse Change or that would prevent or restrict the ability of a member of the Target Group to fulfil its obligations under this deed;

- (q) **(not aware that business infringes third party IP rights)** so far as the Target is aware, neither the carrying on of the business conducted by each Target Group member nor the use (or intended use) of any material intellectual property by a Target Group member infringes the intellectual property rights of any third party, which would be reasonably likely to result in a Material Adverse Change, and no Target Group member has received any notice or claim from any party alleging the foregoing nor is the Target aware of any facts or circumstances which may give rise to any such allegation;
- (r) **(Insolvency Event or regulatory action)** no Insolvency Event has occurred in relation to it or another member of the Target Group, nor has any regulatory action of any nature of which it is aware been taken that would prevent or restrict its ability to fulfil its obligations under this deed; and
- (s) **(Target Shares not indirect Australian real property interests)** the relevant Target Shares held by each Scheme Shareholder are not, and until (and including) the Implementation Date will not be, indirect Australian real property interests within the meaning of Division 855 of the Tax Act for the Scheme Shareholder.

10.4 Target's indemnity

Subject to clause 9.6, Target agrees with Bidder (in its own right and separately as trustee or nominee for each Bidder Indemnified Party) to indemnify Bidder and each of the Bidder Indemnified Parties against any claim, action, damage, loss, liability, cost, expense or payment of whatever nature and however arising that Bidder or any of the other Bidder Indemnified Parties suffers, incurs or is liable for arising out of any breach of any of the Target Representations and Warranties.

10.5 Qualifications on Target's Representations and Warranties

- (a) The Target Representations and Warranties in clause 10.3 and the indemnity in clause 10.4 are each subject to:
 - (i) matters that have been fairly disclosed the Disclosure Materials;
 - (ii) matters within the actual knowledge of any director, secretary or senior officer of the Bidder or a Bidder Group company who have been involved in the assessment and/or negotiation of the Transaction before the date of this deed; and
 - (iii) matters that have been fairly disclosed in Target's announcements to or filings with ASX, or a document lodged with ASIC that is publicly available, in each case between 1 January 2014 and the Business Day prior to the date of this deed.
- (b) For the avoidance of doubt, and notwithstanding clause 10.3(g), Target makes no representation or warranty as to the accuracy of any forward-looking statements, forecast information or other forecast contained in the Scheme Booklet (including any representation or warranty as to the likelihood of achievement or reasonableness of any such statement).

10.6 Survival of Representations and Warranties

Each Representation and Warranty:

- (a) is severable;

- (b) survives termination of this deed; and
- (c) is given with the intent that liability thereunder will not be confined to breaches which are discovered prior to the date of termination of this deed.

10.7 Survival of indemnities

Each indemnity in this deed (including those in clauses 10.2 and 10.4):

- (a) is severable;
- (b) is a continuing obligation;
- (c) constitutes a separate and independent obligation of the party giving the indemnity from any other obligations of that party under this deed; and
- (d) survives termination of this deed.

10.8 Timing of Representations and Warranties

- (a) Each Representation and Warranty is given at the date of this deed and again at 5.00pm on the Business Day before the Second Court Date.
- (b) For the purposes of clause 10.8(a), a Representation and Warranty shall be read with any necessary adjustments to the tense used in the Representation and Warranty.

10.9 Warranty Certificate

Target must provide to Bidder by 5.00pm on the Business Day before the Second Court Date a certificate signed by a director of the Target and made in accordance with a resolution of the Target Board stating, as at that date, that the Target Representations and Warranties remain true and accurate or, if any such representation or warranty is not true and accurate as at that date, provide complete particulars of the facts and matters which make the representation or warranty untrue or inaccurate.

11 Releases

11.1 Release of Target Indemnified Parties

- (a) Subject to clause 11.1(b), Bidder releases any and all rights that it may have, and agrees with Target that it will not make any claim, against any Target Indemnified Party as at the date of this deed and from time to time in connection with:
 - (i) any breach of any covenant, representation or warranty given by Target under this deed;
 - (ii) any disclosures containing any statement which is false or misleading (whether by omission or otherwise); or
 - (iii) any failure to provide information,

whether current or future, known or unknown, arising at common law, in equity, under statute or otherwise, except where a Target Indemnified Party has not acted in good faith or has engaged in wilful misconduct or fraud. To avoid doubt, nothing

in this clause 11.1(a) limits the rights of Bidder to terminate this deed under clause 12.

- (b) The release in clause 11.1(a) is subject to any restriction imposed by law and will be read down to the extent that any such restriction applies.
- (c) Target receives and holds the benefit of clause 11.1(a) as trustee for the Target Indemnified Parties.

11.2 Release of Bidder Indemnified Parties

- (a) Subject to clause 11.2(b), Target releases any and all rights that it may have, and agrees with Bidder that it will not make any claim, against any Bidder Indemnified Party as at the date of this deed and from time to time in connection with:

- (i) any breach of any covenant, representation or warranty given by Bidder under this deed;
- (ii) any disclosures containing any statement which is false or misleading (whether by omission or otherwise); or
- (iii) any failure to provide information,

whether current or future, known or unknown, arising at common law, in equity, under statute or otherwise, except where a Bidder Indemnified Party has not acted in good faith or has engaged in wilful misconduct or fraud. To avoid doubt, nothing in this clause 11.2 limits the rights of Target to terminate this deed under clause 12.

- (b) The release in clause 11.2(a) is subject to any restriction imposed by law and will be read down to the extent that any such restriction applies.
- (c) Bidder receives and holds the benefit of clause 11.2(a) as trustee for that Bidder Indemnified Parties.

11.3 Deeds of indemnity and insurance

- (a) Subject to the Scheme becoming Effective and the Transaction completing, Bidder undertakes in favour of Target and each other person who is a Target Indemnified Party that it will:
 - (i) for a period of 7 years from the Implementation Date, ensure that the constitutions of Target and each other member of the Target Group continue to contain such rules as are contained in those constitutions at the date of this deed that provide for each company to indemnify each of its current and previous directors and officers against any liability incurred by that person in his or her capacity as a director or officer of the company to any person other than a member of the Target Group; and
 - (ii) procure that Target and each member of the Target Group complies with any deeds of indemnity, access and insurance made by them in favour of their respective directors and officers from time to time and without limiting the foregoing, ensure that directors' and officers' run-off insurance cover for such directors and officers is maintained, for a period of 7 years from the retirement date of each director and officer.
- (b) Bidder acknowledges that notwithstanding any other provision of this deed, Target may, prior to the Implementation Date, enter into arrangements to secure directors

and officers run-off insurance for up to such 7 year period on terms and at such costs which are reasonable and standard for a company similar to Target or a member of the Target Group (as the case may be), and that any actions to facilitate that insurance or in connection therewith will not be Prescribed Occurrences or breach any provision of this deed.

- (c) The undertakings contained in clause 11.3(a) are subject to any Corporations Act restriction and will be read down accordingly.
- (d) Target receives and holds the benefit of clause 11.3(a), to the extent it relates to the other Target Indemnified Parties as trustee for them.
- (e) The undertakings contained in clause 11.3(a) are given until the earlier of the end of the relevant period specified in clause 11.3(a) or the relevant Target Group Member ceasing to be part of the Target Group.

12 Termination

12.1 Termination by either party

- (a) Either party may terminate this deed in accordance with clause 3.4(d).
- (b) Other than in respect of a breach of a Representation and Warranty (which are dealt with in clauses 12.2 and 12.3), at any time before 8:00am on the Second Court Date, either party may terminate this deed if the other party commits a material breach of this deed, provided that:
 - (i) it has given written notice to the other party setting out the relevant circumstances and stating an intention to terminate this deed;
 - (ii) the relevant circumstances have not been remedied within 10 Business Days from the time such notice is given (or any shorter period ending at 5:00pm on the Business Day before the Second Court Date); and
 - (iii) the material breach must;
 - (A) constitute a Material Adverse Change; or
 - (B) be material in the context of the Transaction taken as a whole.

Termination under this clause 12.1(b) will take effect at the expiry of the period referred to in clause 12.1(b)(ii).

12.2 Termination by Bidder

Bidder may terminate this deed, with immediate effect, at any time before 8:00am on the Second Court Date by notice in writing to Target if:

- (a) in any circumstances (including where clause 7.2(a) applies), a Target Director:
 - (i) withdraws, adversely changes or makes any public statement that is inconsistent with a Recommendation or Voting Intention; or
 - (ii) recommends, endorses or supports any Competing Proposal;

- (b) in any circumstances, Target voluntarily enters into any agreement or arrangement in relation to the implementation of any Competing Proposal;
- (c) at the time they were made, the Target Representations and Warranties were not true and accurate in all material respects, provided that:
 - (i) Bidder has given written notice to Target setting out the relevant circumstances and stating an intention to terminate this deed or to allow the Scheme to lapse;
 - (ii) the relevant breach or circumstances have not been remedied for 10 Business Days from the time such notice is given (or any shorter period ending at 5:00pm ending on the Business Day before the Second Court Date); and
 - (iii) the relevant breach of the Target Representations and Warranties would:
 - (A) result in a Material Adverse Change; or
 - (B) be material in the context of the Transaction taken as a whole;
- (d) Target materially breaches clause 8; or
- (e) a Material Adverse Change occurs or a Prescribed Occurrence occurs that has or could reasonably be expected to have a material adverse effect on the Target Group.

12.3 Termination by Target

Target may terminate this deed, with immediate effect, by notice in writing to Bidder if, at any time before 8:00am on the Second Court Date:

- (a) the Target Board publicly:
 - (i) withdraw or adversely change their Recommendation; or
 - (ii) recommend a Competing Proposal,
 in each case provided that:
 - (iii) clause 7.2(a) applies; and
 - (iv) in a circumstance involving a Competing Proposal, Target has complied with clause 8.6 to the extent applicable; or
- (b) at the time they were made, the Bidder Representations and Warranties were not true and accurate in all material respects, provided that:
 - (i) Target has given written notice to Bidder setting out the relevant circumstances and stating an intention to terminate this deed or to allow the Scheme to lapse;
 - (ii) the relevant breach or circumstances have not been remedied for 10 Business Days from the time such notice is given (or any shorter period ending at 5:00pm ending on the Business Day before the Second Court Date); and

- (iii) the loss that would reasonably be expected to follow from the relevant breach of the Bidder Representations and Warranties is material in the context of the Transaction taken as a whole.

12.4 Termination by written agreement

This deed may be terminated by the written agreement of the parties, on such terms as the parties agree.

12.5 Effect of termination

If this deed is terminated in accordance with this clause 12, this deed will cease to have force and effect without any liability or obligation on the part of any party, except that:

- (a) this clause 12.5 and clauses 1, 9, 10, 11, 13, 14 and 15, and Schedule 1, will survive termination; and
- (b) each party will retain any rights and remedies that accrued prior to termination, including any rights and remedies in respect of any past breach of this deed or (if applicable) in respect of the breach giving rise to termination.

13 Confidentiality

Each party acknowledges and agrees that nothing in this deed derogates from the rights and obligations of the Bidder and the Target under the Confidentiality Agreement, provided that this deed prevails to the extent of any inconsistency with the Confidentiality Agreement.

14 Duty, costs and expenses

14.1 Stamp duty

Bidder:

- (a) must pay all stamp duties and any related fines and penalties in respect of this deed or any transaction effected under it; and
- (b) indemnifies Target against any liability arising from or in connection with any failure by it to comply with clause 14.1(a).

14.2 Costs and expenses

Except as otherwise provided in this deed, each party must pay its own costs and expenses in connection with the negotiation, preparation, execution and performance of this deed and the proposed, attempted or actual implementation of the Transaction.

15 GST

- (a) In this clause 15, a word or expression defined in the *A New Tax System (Goods and Services Tax) Act 1999* (Cth) has the meaning given to it in that legislation.
- (b) If a party makes a supply under or in connection with this deed in respect of which GST is payable, the consideration for the supply but for the application of this clause 15(b) (**GST exclusive consideration**) is increased by an amount

(**Additional GST amount**) equal to the GST exclusive consideration multiplied by the rate of GST prevailing at the time the supply is made.

- (c) If a party must reimburse or indemnify another party for a loss, cost or expense, the amount to be reimbursed or indemnified is first reduced by the amount equal to any input tax credit the other party, or the representative member of the GST group of which the other party is a member, is entitled to with respect to the loss, cost or expense, and then increased in accordance with clause 15(b) if such amount is consideration for a taxable supply made under or in connection with this deed.
- (d) A party need not make a payment of the Additional GST amount until it receives a tax invoice or adjustment note (as appropriate) for the supply to which the payment relates.

16 General

16.1 Notices

- (a) A notice, consent, approval, waiver or other communication sent by a party under this deed (**Notice**) must be:
 - (i) in writing;
 - (ii) sent by an authorised representative of the sender; and
 - (iii) marked for the attention of the person named below,and must be:
 - (iv) left at, or sent by commercial courier to, the address set out below.

Bidder

Attention: **Legal Department**
Address: **2 rue de l'Ecole-de-Chimie,
1205 Geneva
Switzerland**

Target

Attention: **Company Secretary**
Address: **Level 10, 85 Castlereagh Street,
Sydney NSW 2000
Australia**

With a copy to:

Adam Laura

**C/- Gilbert + Tobin
Level 35, Tower 2
200 Barangaroo Avenue,
Barangaroo NSW 2000
Australia**

- (b) Subject to clause 16.1(c), a Notice is taken to be received:
 - (i) if sent by delivery, when it is delivered;
 - (ii) if sent by commercial courier, three days after dispatch.
- (c) If a Notice is taken to be received under clause 16.1(b):
 - (i) before 9:00am on a Business Day, it will be taken to be received at 9:00am on that Business Day; or
 - (ii) after 5:00pm on a Business Day or on a non-Business Day, it will be taken to be received at 9:00am on the next Business Day,

provided that a Notice of termination given prior to 8.00am on the Second Court Date under clauses 12.1, 12.2 or 12.3 will be taken to be received at the time it is given.

16.2 Governing law and jurisdiction

- (a) This deed is governed by the laws of New South Wales.
- (b) Each party irrevocably submits to the non-exclusive jurisdiction of the courts of New South Wales and courts competent to hear appeals from those courts.

16.3 No representation or reliance

- (a) Each party acknowledges that no party (nor any person acting on its behalf) has made any representation or other inducement to it to enter into this deed, except for representations or inducements expressly set out in this deed and (to the maximum extent permitted by law) all other representations, warranties and conditions implied by statute or otherwise in relation to any matter relating to this deed, the circumstances surrounding the parties' entry into it and the transactions contemplated by it are expressly excluded.
- (b) Each party acknowledges and confirms that it does not enter into this deed in reliance on any representation or other inducement by or on behalf of any other person, except for any representation or inducement expressly set out in this deed.

16.4 No merger

The rights and obligations of the parties do not merge on completion of the Transaction. They survive the execution and delivery of any assignment or other document entered into for the purpose of implementing the Transaction.

16.5 Waivers and consents

- (a) Failure to exercise or enforce, a delay in exercising or enforcing, or the partial exercise or enforcement of any right, power or remedy provided by law or under this deed by any party does not in any way preclude, or operate as a waiver of, any exercise or enforcement, or further exercise or enforcement, of that or any other right, power or remedy provided by law or under this deed.
- (b) Any waiver or consent given by a party under this deed is only effective and binding on that party if it is given or confirmed in writing by that party.

- (c) No waiver of a breach of any term of this deed operates as a waiver of another breach of that term or of a breach of any other term of this deed.
- (d) Except where this deed expressly provides otherwise, where the consent of a party is required under this deed, such consent may be given or withheld in that party's absolute discretion.

16.6 Variation

This deed may only be varied by a document signed by or on behalf of each of the parties.

16.7 Assignment

A party may not assign, novate or otherwise transfer any of its rights or obligations under this deed without the prior written consent of the other parties.

16.8 Further action

Each party will do all things and execute all further documents necessary to give full effect to this deed.

16.9 Entire agreement

This deed supersedes all previous agreements, understandings, negotiations or deeds in respect of its subject matter and embodies the entire agreement between the parties.

16.10 Severability

If the whole or any part of a provision of this deed is void, unenforceable or illegal in a jurisdiction, it is severed for that jurisdiction but only to the extent that it is void, unenforceable or illegal and provided that it will have full force and effect in any other jurisdiction. Where a provision (or any part thereof) is severed in a jurisdiction, the remainder of this deed will have full force and effect in that (and any other) jurisdiction.

This clause 16.10 does not apply to any severance that alters the basic nature of this deed or is contrary to public policy.

16.11 Counterparts

This deed may be executed in any number of counterparts. All counterparts together will be taken to constitute one instrument.

16.12 Appointment of process agent

Without preventing any method of service allowed under any relevant law, Bidder:

- (a) irrevocably appoints King & Wood Mallesons as its process agent to receive any document in an action in connection with this document; and
- (b) agrees that failure by a process agent to notify Bidder of any document in an action in connection with this document does not invalidate the action concerned.

If for any reason King & Wood Mallesons ceases to be able to act as process agent, Bidder agrees to appoint another person as its process agent in the place referred to in clause 16.2 and ensure that the replacement process agent accepts its appointment and confirms its appointment to Bidder.

Bidder agrees that service of documents on its process agent at the following address is sufficient service on it:

Temenos Group AG c/o King & Wood Mallesons
Level 61, Governor Phillip Tower
1 Farrer Place
Sydney NSW 2000
Australia

Schedule 1 Dictionary

1 Dictionary

Additional GST amount has the meaning given in clause 15(b).

Agreed Public Announcement means an announcement of Target or an announcement of Bidder, as the context requires, each in a form agreed between the parties prior to execution of this deed, to be released by each of Bidder and Target pursuant to clause 6(a).

ASIC means the Australian Securities and Investments Commission.

Associate has the meaning given in section 12 of the Corporations Act as if section 12(1) of that Act included a reference to this deed and Target was the designated body.

ASX means ASX Limited (ABN 98 008 624 691) or, where the context requires, the financial market operated by it known as the “Australian Securities Exchange”.

Bidder Board means the board of directors of the Bidder.

Bidder Director means a director of Bidder.

Bidder Group means, collectively, Bidder and each of its Related Bodies Corporate.

Bidder Indemnified Party means a director, officer, employee or adviser of a member of the Bidder Group.

Bidder Information means information regarding the Bidder Group provided by or on behalf of Bidder to Target or its Representatives in writing for inclusion in a Scheme Booklet. Bidder Information does not include information about the Target Group (except to the extent it relates to any statement of intention relating to the Target Group following the Implementation Date) or the Independent Expert’s Report.

Bidder Representations and Warranties means the representations and warranties set out in clause 10.1.

Business Day has the meaning given in the Listing Rules.

Claim Change has the meaning given in the Disclosure Letter.

Competing Proposal means any inquiry, offer, proposal or expression of interest, transaction or arrangement (including by way of takeover bid or scheme of arrangement) under which, if entered into or ultimately completed substantially in accordance with its terms, a person or two or more persons who are Associates would directly or indirectly:

- (a) acquire a Relevant Interest in or become the holder of or obtain a right to acquire more than 15% of the issued share capital of Target;
- (b) acquire, obtain a right to acquire, receive or become the holder of, or otherwise obtain an economic interest in:
 - (i) 50% or more of the issued share capital of Target or any material member of the Target Group; or

- (ii) all or a substantial part of the business or property of the Target Group; or
- (c) acquire control of Target or any material member of the Target Group within the meaning of section 50AA of the Corporations Act, disregarding section 50AA(4) of that Act; or
- (d) otherwise acquire or merge with Target or any of its controlled entities,

whether by takeover bid, scheme of arrangement, shareholder approved acquisition, capital reduction, share buy-back or repurchase or exchange, sale or purchase of assets or businesses, joint venture, reverse takeover, dual-listed company structure, recapitalisation, establishment of a new holding entity for Target or other synthetic merger or any other transaction or arrangement.

Condition Precedent means a condition set out in clause 3.1.

Confidentiality Agreement means the confidentiality agreement between the parties in relation to the Transaction, dated 23 November 2016.

Consideration means, in respect of each Scheme Share, \$0.1667.

Consultation Notice has the meaning given in clause 3.4(c).

Control has the meaning given in section 50AA of the Corporations Act.

Corporations Act means the *Corporations Act 2001* (Cth).

Corporations Regulations means the *Corporations Regulations 2001* (Cth).

Court means the Federal Court of Australia or such other court of competent jurisdiction under the Corporations Act as agreed in writing between Bidder and Target.

Court Documents means the documents required for the purposes of a Court Hearing, including (as applicable) originating process, affidavits, submissions and draft minutes of Court orders.

Court Hearing means the First Court Hearing or Second Court Hearing (as applicable), and **Court Hearings** means both of them.

Deed Poll means the deed poll to be entered into by Bidder in respect of the provision of the Consideration, in the form of Attachment C.

Discloser has the meaning given in clause 3.2(d).

Disclosure Letter means the letter so entitled from Target and countersigned by Bidder on or prior to the date of this deed.

Disclosure Materials means the information in relation to the Target Group disclosed in writing by or on behalf of Target to Bidder and its Representatives prior to the date of this deed, in:

- (a) the Disclosure Letter;
- (b) the documents and information contained in the online data room (**Online Data Room**) to which Bidder and its Representatives were given access prior to the date of this deed, the index of which has been initialled by the parties for identification; and

- (c) any written answers to requests for further information made by Bidder and its Representatives as contained in the Online Data Room.

Effective means the coming into effect, under section 411(10) of the Corporations Act, of the order of the Court made under section 411(4)(b) of the Corporations Act, in relation to the Scheme.

Effective Date means the date on which a Scheme becomes Effective.

Encumbrance means a mortgage, charge, pledge, lien, encumbrance, security interest, title retention, preferential right, trust arrangement, contractual right of set-off or any other security agreement or arrangement in favour of any person, whether registered or unregistered, including any Security Interest.

End Date means the date that is 6 months after the date of this deed or such later date as Bidder and Target agree in writing.

Existing Business Lines means lines of business in which Target is engaged as at the date of this deed as fairly disclosed in the Disclosure Materials.

Exclusivity Period means the period from the date of this deed to the earlier of:

- (a) the termination of this deed under clause 12; and
- (b) the End Date.

FATA means the *Foreign Acquisitions and Takeovers Act 1975* (Cth).

First Court Date means the first day on which an application made to the Court for orders under section 411(1) of the Corporations Act directing Target to convene the Scheme Meeting is heard (or if the application is adjourned or subject to appeal for any reason, the day on which the adjourned application is heard) with such hearing being the **First Court Hearing**.

Government Agency means any foreign or Australian government or governmental, semi-governmental, administrative, fiscal, statutory or judicial body, department, commission, authority, tribunal, agency or entity, or any minister of the Crown in right of the Commonwealth of Australia or any state, or any other federal, state, provincial, local or other government, whether foreign or Australian. It also includes any self-regulatory organisation established under statute or otherwise discharging substantially public or regulatory functions (including ASIC and the Takeovers Panel).

GST exclusive consideration has the meaning given in clause 15(b).

Headcount Test means the requirement under section 411(4)(a)(ii)(A) of the Corporations Act that the resolution to approve the Scheme at the Scheme Meeting is passed by a majority in number of Target Shareholders present and voting, either in person or by proxy.

Implementation Date means the fifth Business Day after the Record Date or such other day as the parties agree in writing.

Independent Expert means the independent expert to be appointed by Target to prepare the Independent Expert's Report in accordance with clause 5.2(b).

Independent Expert's Report means the report in respect of the Scheme to be prepared and issued by the Independent Expert for inclusion in the Scheme Booklet.

Insolvency Event means, in relation to any entity:

- (a) the entity resolving that it be wound up or a court making an order for the winding up or dissolution of the entity;
- (b) a liquidator, provisional liquidator, administrator, receiver, receiver and manager or other insolvency official being appointed to the entity or in relation to the whole, or a substantial part, of its assets;
- (c) the entity executing a deed of company arrangement;
- (d) the entity is or becomes unable to pay its debts when they fall due within the meaning of the Corporations Act (or, if appropriate, legislation of its place of incorporation) or is otherwise presumed to be insolvent under the Corporations Act unless the entity has, or has access to, committed financial support from its parent entity such that it is able to pay its debts; or
- (e) the entity being deregistered as a company or otherwise dissolved.

Listing Rules means the official listing rules of ASX.

Material Adverse Change means:

- (a) a Specified Event which (whether individually or when aggregated with all other changes, events, circumstances, occurrences or matters of a similar kind or category) has resulted in or is reasonably likely to result in:
 - (i) the consolidated net assets of the Target Group, taken as a whole at the end of any Quarter being reduced by at least \$5,000,000; or
 - (ii) the consolidated earnings before interest, tax, depreciation and amortisation of the Target Group being reduced by at least \$1,500,000 in any calendar year; or
 - (iii) the result that the business of the Target Group is unable to be carried on in substantially the same manner as carried on at the date of this deed,in each case other than changes, events, occurrences or matters:
 - (iv) expressly required by this deed or the Scheme;
 - (v) fairly disclosed to Bidder in the Disclosure Materials;
 - (vi) fairly disclosed by Target in any announcement to or filing with ASX or in a document lodged by Target with ASIC that is publicly available, in each case between 1 January 2014 and the Business Day prior to the date of this deed;
 - (vii) within the actual knowledge of any director, secretary or senior officer of the Bidder or a Bidder Group company who have been involved in the assessment and/or negotiation of the Transaction before the date of this deed (which does not include knowledge of the risk of an event, occurrence or matter happening);
 - (viii) consented to in writing by Bidder or resulting from the failure of the Bidder to provide any consent or approval under this deed;
 - (ix) which arise from:

- (A) changes in exchange rates or interest rates;
- (B) general economic, political or business conditions, including material adverse changes or major disruptions to, or fluctuations in, domestic or international financial markets, and acts of terrorism, war (whether or not declared), natural disaster or the like; or
- (C) changes to accounting standards, laws or policies of a Government Agency in Australia,

but excluding any change, event, circumstance, occurrence or matter which has a disproportionate effect on the Target Group, taken as a whole, as compared to other participants in the industries in which the Target Group operates; or

- (x) which relate to a Notified Claim;
- (b) in relation to a Notified Claim, a Claim Change occurs which (individually or in aggregate with any other Claim Change in connection with the Notified Claim) will, or is reasonably likely to, result in the Notified Claim as affected by the relevant Claim Change or Claim Changes reducing:
 - (i) the consolidated net assets of the Target Group, taken as a whole at the end of any Quarter by an amount set out in the Disclosure Letter; or
 - (ii) the consolidated earnings before interest, tax, depreciation and amortisation of the Target Group by an amount set out in the Disclosure Letter, in any calendar year; or
- (c) the Target Group's financial results for the financial half year ended 31 December 2016 report revenue or consolidated earnings before interest, tax, depreciation and amortisation of the Target Group lower than the thresholds agreed in the Disclosure Letter.

Material Contract means a contract or commitment (or any series of related contracts or commitments):

- (a) under which any member of the Target Group might reasonably be expected to make or receive total payments in excess of an amount equal to \$1 million per annum;
- (b) under which any member of the Target Group is lessee of or holds or operates any material property, real or tangible, owned by any other party;
- (c) concerning the acquisition or disposal of any securities, business, asset, interest in a joint venture, entity or undertaking, with a value which exceeds \$2 million, or the grant of any exclusive licence in respect of intellectual property;
- (d) for the acquisition by a member of the Target Group of material information technology or communications services, including any licence to use or exploit intellectual property, without which a Target Group member would be unable to fulfil its commitments to one or more customers or licensees, but excluding licences for commercially available off the shelf software having a value which exceeds \$1 million per annum;

- (e) for the supply or disclosure of source code to a person who is not a member of the Target Group (excluding any arrangements relating to escrow in the ordinary course or required under such contracts); or
- (f) containing a covenant not to compete granted by any member of the Target Group in favour of a third party that materially prohibits or restricts any member of the Target Group from engaging in business anywhere in the world.

Notice has the meaning given in clause 16.1(a).

Notified Claim means any claim identified in the Disclosure Letter, subject to the terms thereof.

Prescribed Occurrence means the occurrence of any of the following:

- (a) Target converting all or any of its shares into a larger or smaller number of shares;
- (b) any member of the Target Group resolving to reduce its share capital in any way or reclassifying, combining, splitting or redeeming any of its shares;
- (c) any member of the Target Group:
 - (i) entering into a buy-back agreement; or
 - (ii) resolving to approve the terms of a buy-back agreement under the Corporations Act;
- (d) any member of the Target Group issuing shares, or granting a performance right or an option over its shares, or agreeing to make such an issue or grant such a performance right or an option;
- (e) any member of the Target Group issuing or agreeing to issue securities convertible into shares (including any issue or agreement to issue performance rights) or debt securities;
- (f) any member of the Target Group making, determining as payable or declaring any distribution of income or capital (whether by way of dividend, or capital reduction or otherwise and whether in cash or in specie);
- (g) any member of the Target Group disposing, or agreeing to dispose, of the whole, or a substantial part, of its business or property;
- (h) any member of the Target Group ceasing, or threatening to cease, the whole or a material part of its business;
- (i) any member of the Target Group creating, granting or agreeing to any Encumbrance over any of the assets of any member of the Target Group, other than a lien which arises by operation of law, legislation or arises in the ordinary course of the Target Group's business;
- (j) any member of the Target Group resolving that it be wound up or the making of an application or order for the insolvent winding up or dissolution of a member of the Target Group other than where the application or order (as the case may be) is set aside within 14 days;
- (k) a liquidator or provisional liquidator of a member of the Target Group being appointed;

- (l) a court making an order for the winding up of a member of the Target Group;
- (m) an administrator of a member of the Target Group being appointed under the Corporations Act;
- (n) any member of the Target Group is or becomes unable to pay its debts when they fall due within the meaning of the Corporations Act or is otherwise presumed to be insolvent under the Corporations Act unless that company has, or has access to, committed financial support from its parent entity such that it is able to pay its debts;
- (o) a member of the Target Group making any change to its constitution;
- (p) any member of the Target Group executing a deed of company arrangement;
- (q) a receiver, or a receiver and manager, being appointed in relation to the whole, or a substantial part, of the property of a member of the Target Group;
- (r) any member of the Target Group being deregistered as a company or otherwise dissolved other than on a solvent basis;
- (s) any member of the Target Group authorises, procures or commits or agrees to do any of the matters set out above,

but does not include any occurrence:

- (t) required or permitted by this deed or the Scheme or the transactions contemplated by either;
- (u) agreed to in writing by Bidder;
- (v) fairly disclosed in the Disclosure Materials; or
- (w) fairly disclosed by Target in an announcement made by Target to ASX, or a document lodged by it with ASIC that is publicly available, in each case between 1 January 2014 and the Business Day prior to the date of this deed.

Quarter means a calendar quarter, commencing on 1 January, 1 April, 1 July and 1 October.

Recipient has the meaning given in clause 3.2(d).

Recommendation has the meaning given in clause 7.1(a).

Record Date means 7:00pm on the fifth Business Day after the Effective Date of the Scheme.

Regulator's Draft has the meaning given in clause 5.2(e)(i).

Regulatory Matter has the meaning given in clause 3.2(c)(ii)(A).

Related Body Corporate has the meaning given in section 50 of the Corporations Act.

Relevant Employee means any executive or employee of the Target Group whose annual base salary exceeds \$150,000 per annum, and any Target Director.

Relevant Interest has the meaning given in sections 608 and 609 of the Corporations Act.

Representation and Warranty means a Bidder Representation and Warranty or Target Representation and Warranty.

Representative means, in respect of a party, an employee, agent, officer, director, adviser or financier of that party (or of a Related Body Corporate of that party), and, in the case of advisers and financiers, includes employees, officers and agents of the adviser or financier (as applicable).

RG 60 means Regulatory Guide 60 issued by ASIC and dated September 2011.

Scheme means a members' scheme of arrangement under Part 5.1 of the Corporations Act between Target and the Scheme Shareholders, in the form of Attachment B, subject to any alterations or conditions made or required by the Court under section 411(6) of the Corporations Act.

Scheme Booklet means the explanatory statement in respect of the Scheme to be prepared by Target pursuant to section 412 of the Corporations Act and in accordance with clause 5.2(d), and to be despatched to Target Shareholders in accordance with clause 5.2(j), which will contain (among other things) the Independent Expert's Report (or a concise version of that report), a notice of meeting in respect of the Scheme Meeting and a proxy form.

Scheme Meeting means the meeting of Target Shareholders ordered by the Court to be convened at the First Court Hearing.

Scheme Share means a Target Share held by a Scheme Shareholder as at the Record Date.

Scheme Shareholder means a Target Shareholder as at the Record Date.

Second Court Date means the first day on which an application made to the Court for orders under section 411(4)(b) of the Corporations Act approving the Scheme is heard (or if the application is adjourned or subject to appeal for any reason, the day on which the adjourned application is heard), with such hearing being the **Second Court Hearing**.

Security Interest has the meaning given in section 12 of the *Personal Property Securities Act 2009* (Cth).

Sensitive Confidential Information has the meaning given in clause 3.2(d).

Share Register means the register of Target Shareholders maintained in accordance with the Corporations Act.

Share Splitting means the splitting by a holder of Shares into two or more parcels of Shares whether or not it results in any change in beneficial ownership of the Shares.

Specified Event means a change, circumstance, event, occurrence or matter that:

- (a) occurs after the date of this deed;
- (b) occurs before the date of this deed but is only announced or publicly disclosed after the date of this deed; or

- (c) will or is reasonably certain to occur after the date of this deed and which has not been publicly announced prior to the date of this deed.

Subsidiary has the meaning given to that term in Division 6 of Part 1.2 of the Corporations Act.

Substantial Holding has the meaning given to that term in Division 1 of Part 1.2 of the Corporations Act.

Superior Proposal means a bona fide Competing Proposal which in the determination of the Target Board acting in good faith in order to satisfy what the Target Board considers to be its fiduciary or statutory duties (after having taken advice from their legal advisers):

- (a) is capable of being completed in accordance with its terms, taking into account all financial, regulatory and other aspects of the proposal, including the ability of the proposing party to consummate the transactions contemplated by the Competing Proposal and its conditionality; and
- (b) would, if completed substantially in accordance with its terms, be reasonably likely to result in a transaction more favourable to Target Shareholders as a whole than the Transaction, taking into account all aspects of the Competing Proposal, including the identity, reputation and financial condition of the person making the proposal, consideration, conditionality, funding, certainty and timing of the proposal.

Takeovers Panel means the Takeovers Panel constituted under the *Australian Securities and Investments Commission Act 2001* (Cth).

Target Board means the board of directors of Target.

Target Break Fee means \$700,000 (exclusive of GST).

Target Director means a director of Target.

Target Group means, collectively, Target and each of its Related Bodies Corporate.

Target Indemnified Party means a director, officer, employee or adviser of a member of the Target Group.

Target Information means all the information in a Scheme Booklet other than the Bidder Information and the Independent Expert's Report.

Target Representations and Warranties means the representations and warranties set out in clause 10.3.

Target Share means a fully paid ordinary share in the capital of Target.

Target Shareholder means a holder of one or more Target Shares, as shown in the Share Register.

Tax means all forms of taxes, duties, imposts, charges, withholdings, rates, levies, clawbacks or other governmental impositions of whatever nature and by whatever authority imposed, assessed or charged together with all costs, charges, interest, penalties, fines and other additional statutory charges incidental or related to the imposition, assessment or charge of those amounts.

Terminating Party has the meaning given in clause 3.4.

Termination Event has the meaning given in clause 3.4.

Termination Notice has the meaning given in clause 3.4.

Third Party means a person other than Bidder and its Associates.

Timetable means the indicative timetable for the implementation of the Transaction set out in Attachment A.

Trading Day has the meaning given in the Listing Rules.

Transaction means the acquisition of Target by Bidder by means of the Scheme.

Transaction Implementation Committee means a committee to be made up of:

- (a) Martin Frick and Philip Barnett as representatives of Bidder and Iain Dunstan and Darius Coveney as representatives of Target; and
- (b) such other persons as the parties may agree from time to time.

Voting Intention has the meaning given in clause 7.1(b).

2 Interpretation

In this deed, the following rules of interpretation apply unless the contrary intention appears.

- (a) Headings are for convenience only and do not affect the interpretation of this deed.
- (b) The singular includes the plural and vice versa.
- (c) Words that are gender neutral or gender specific include each gender.
- (d) Where a word or phrase is given a particular meaning, other parts of speech and grammatical forms of that word or phrase have corresponding meanings.
- (e) The words “include”, “including”, “such as”, “to avoid doubt” and similar expressions are not words of limitation and do not limit what else might be included.
- (f) A reference to:
 - (i) a person includes a natural person, partnership, joint venture, government agency, association, corporation or other body corporate or entity (as that term is defined in section 64A of the Corporations Act);
 - (ii) a thing (including a chose in action or other right) includes a part of that thing;
 - (iii) a party includes its successors and permitted assigns;
 - (iv) a document includes all amendments or supplements to that document;
 - (v) a clause, term, party, schedule or attachment is a reference to a clause or term of, or a party, schedule or attachment to, this deed (as applicable);

- (vi) this deed includes all schedules and attachments to it;
- (vii) a law includes a constitutional provision, treaty, decree, convention, statute, regulation, ordinance, by-law, judgment, rule of common law or equity or a Listing Rule and is a reference to that law as amended, consolidated or replaced;
- (viii) an agreement (other than this deed) includes an undertaking or legally enforceable arrangement or understanding (whether or not in writing);
- (ix) a time period includes the date referred to as that on which the period begins and the date referred to as that on which the period ends; and
- (x) a monetary amount is in Australian dollars.
- (g) An agreement on the part of two or more persons binds them jointly and severally.
- (h) When the day on which something must be done is not a Business Day, that thing must be done on the following Business Day.
- (i) In determining the time of day, where relevant to this deed, the time of day is:
 - (i) for the purposes of giving or receiving Notice, the time of day where the party receiving Notice is located; or
 - (ii) for any other purpose under this deed, the time of day in the place where the party required to perform an obligation is located.
- (j) No rule of construction applies to the disadvantage of a party because that party was responsible for the preparation of this deed or any part of it.
- (k) Any reference to time is to the time in Sydney, Australia.
- (l) A reference to “fairly disclosed” means disclosed in sufficient detail and context that could reasonably be expected to allow a person experienced in transactions of the nature contemplated by this deed acting by and through its appropriate Representatives to understand the consequence of the disclosure.

Schedule 2 Target capital structure

Ordinary Shares	Number of shares
Securities quoted on ASX	
Loan Funded Shares issued to CEO and CFO	18,857,144
LTIP Shares allocated to senior management (vested and unvested)	7,482,000 ¹
Gift Plan Shares allocated to staff	168,000
Treasury Shares	5,172,000
All other Ordinary Shares on issue	391,907,930
TOTAL	423,587,074

¹ A portion of the LTIP shares described above will become Treasury Shares to the extent they do not vest.

Execution page

Executed as a deed.

Signed, sealed and delivered by **Rubik Financial Limited** in accordance with section 127 of the Corporations Act 2001 (Cth) by:

Signature of director

Name of director (print)

Signature of director/secretary

Name of director/secretary (print)

SIGNED AND DELIVERED by)
..... as authorised)
representative for **TEMENOS GROUP**)
AG in the presence of:)

Signature of witness)

Name of witness (block letters))

.....
By executing this document the
signatory warrants that the signatory is
duly authorised to execute this
document on behalf of **TEMENOS**
GROUP AG

Execution page

Executed as a deed.

Signed, sealed and delivered by **Rubik Financial Limited** in accordance with section 127 of the *Corporations Act 2001* (Cth) by:

Signature of director

Signature of director/secretary

Name of director (print)

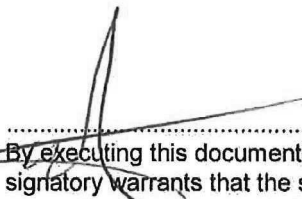
Name of director/secretary (print)

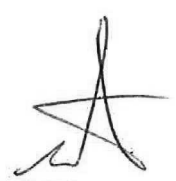
SIGNED AND DELIVERED by
David ARNOTT and Max CHVARD as authorised
representative for **TEMENOS GROUP**
AG in the presence of:


Signature of witness

EMILE ERARD
Name of witness (block letters)




By executing this document the
signatory warrants that the signatory ^{is} ~~is~~ ^{are}
duly authorised to execute this
document on behalf of **TEMENOS**
GROUP AG


MC

Attachment A Timetable

Event	Target date
Regulator's Draft provided to ASIC	Tuesday, 7 March 2017
First Court Hearing	Thursday, 23 March 2017
Printing and despatch of Scheme Booklet	Friday, 24 March 2017
Scheme Meeting	Wednesday, 26 April 2017
Second Court Hearing	Tuesday, 2 May 2017
Effective Date	Wednesday, 3 May 2017
Record Date	Wednesday, 10 May 2017
Implementation Date	Thursday, 18 May 2017

Attachment B Scheme

DRAFT

Scheme of arrangement

Rubik Financial Limited (ACN 071 707 232)

Each person registered as a holder of fully paid ordinary shares in Target as at the Record Date

Contents

Contents		Page
1	Defined terms and interpretation	1
1.1	Defined terms	1
1.2	Interpretation	1
2	Preliminary matters	1
3	Conditions	2
3.1	Conditions precedent	2
3.2	Conditions precedent and operation of clause 4	2
3.3	Certificates	2
3.4	End Date	2
4	Implementation of this Scheme	3
4.1	Lodgement of Court orders with ASIC	3
4.2	Transfer of Scheme Shares	3
5	Consideration	3
5.1	Entitlement to Consideration	3
5.2	Provision of Consideration	3
5.3	Joint holders	5
5.4	Cancellation and re-issue of cheques	5
5.5	Unclaimed monies	5
5.6	Orders of a court	5
5.7	Foreign resident capital gains withholding	6
6	Dealings in Target Shares	6
6.1	Determination of Scheme Shareholders	6
6.2	Share Register	6
7	Quotation of Target Shares	7
8	General Scheme provisions	7
8.1	Consent to amendments to this Scheme	7
8.2	Scheme Shareholders' agreements and warranties	7
8.3	Title to and rights in Scheme Shares	8

8.4	Appointment of sole proxy	8
8.5	Authority given to Target	9
8.6	Binding effect of this Scheme	9
9	General	9
9.1	Stamp duty	9
9.2	Consent	9
9.3	Enforcement of Deed Poll	10
9.4	Notices	10
9.5	Governing law and jurisdiction	10
9.6	Further action	10
9.7	No liability when acting in good faith	10
Schedule 1	— Dictionary	11

Parties

- 1 **Rubik Financial Limited** ACN 071 707 232 of Level 10, 85 Castlereagh Street, Sydney NSW 2000, Australia (**Target**)
- 2 Each person registered as a holder of fully paid ordinary shares in Target as at the Record Date (**Scheme Shareholders**)

The parties agree

1 Defined terms and interpretation

1.1 Defined terms

A term or expression starting with a capital letter which is defined in the dictionary in Schedule 1 has the meaning given to it in the dictionary.

1.2 Interpretation

The interpretation clause in Schedule 1 sets out rules of interpretation for this Scheme.

2 Preliminary matters

- (a) Target is an Australian public company limited by shares, and has been admitted to the official list of ASX.
- (b) Target Shares are quoted for trading on the ASX.
- (c) As at [*insert date*], there were [*insert number*] Target Shares that are quoted for trading on the ASX.
- (d) Bidder is a public limited company listed on the SIX Swiss Exchange.
- (e) If this Scheme becomes Effective:
 - (i) Bidder must provide or procure the provision of the Consideration to Scheme Shareholders in accordance with this Scheme and the Deed Poll; and
 - (ii) all the Scheme Shares, and all the rights and entitlements attaching to them as at the Implementation Date, will be transferred to Bidder and Target will enter the name of Bidder in the Share Register in respect of all the Scheme Shares.
- (f) Bidder and Target have entered into the Implementation Deed in respect of (among other things) the implementation of this Scheme.
- (g) This Scheme attributes actions to Bidder but does not itself impose any obligations on Bidder to perform those actions. By executing the Deed Poll, Bidder has agreed to perform the actions attributed to it under this Scheme. By executing the Deed Poll, Bidder agrees to perform its obligations under the Deed Poll, including payment of the Consideration in accordance with the terms of this Scheme.

Conditions

3.1 Conditions precedent

This Scheme is conditional on and will have no force or effect until and unless the following conditions precedent are satisfied:

- (a) all the conditions in clause 3.1 of the Implementation Deed (other than the condition in clause 3.1(a) of the Implementation Deed relating to Court approval of this Scheme) are satisfied or waived in accordance with the terms of the Implementation Deed by the Delivery Time;
- (b) neither the Implementation Deed nor the Deed Poll is terminated in accordance with its terms by the Delivery Time;
- (c) this Scheme is approved by the Court under section 411(4)(b) of the Corporations Act, including with any alterations made or required by the Court under section 411(6) of the Corporations Act as are acceptable to Target and Bidder;
- (d) such other conditions made or required by the Court under section 411(6) of the Corporations Act in relation to this Scheme as are acceptable to Target and Bidder are satisfied or waived; and
- (e) the order of the Court made under section 411(4)(b) of the Corporations Act approving this Scheme comes into effect pursuant to section 411(10) of the Corporations Act.

3.2 Conditions precedent and operation of clause 4

The satisfaction of each condition of clause 3.1 of this Scheme is a condition precedent to the operation of clause 4 of this Scheme.

3.3 Certificates

- (a) Each of Target and Bidder will provide a certificate to the Court at the Second Court Hearing confirming (in respect of matters within their knowledge) whether or not the conditions precedent in clauses 3.1(a) and 3.1(b) above have been satisfied or waived as at the Delivery Time.
- (b) The certificates given by Target and Bidder constitute conclusive evidence that the conditions precedent in clauses 3.1(a) and 3.1(b) above have been satisfied or waived as at the Delivery Time.

3.4 End Date

This Scheme will lapse and be of no further force or effect and each of Bidder and Target will be released from any further obligation to take steps to implement the Scheme if:

- (a) the Effective Date does not occur on or before the End Date; or
- (b) the Implementation Deed or the Deed Poll is terminated in accordance with its terms before the Scheme becomes Effective, unless the Bidder and Target otherwise agree in writing.

4 Implementation of this Scheme

4.1 Lodgement of Court orders with ASIC

Provided the conditions precedent set out in clause 3.1 of this Scheme (other than the condition precedent in clause 3.1(e)) are satisfied, for the purposes of section 411(10) of the Corporations Act, Target must lodge with ASIC an office copy of the order made by the Court under section 411(4)(b) of the Corporations Act approving this Scheme as soon as possible, and in any event no later than 5:00pm on the Business Day following the day on which such office copy is received by Target or such later date as Target and Bidder agree in writing.

4.2 Transfer of Scheme Shares

On the Implementation Date:

- (a) subject to the provision of the Consideration in the manner contemplated by clause 5.2(a), the Scheme Shares, together with all rights and entitlements attaching to them as at the Implementation Date, must be transferred to Bidder, without the need for any further act by any Scheme Shareholder (other than acts performed by Target as attorney and agent for Scheme Shareholders under clause 8.5), by:
 - (i) Target duly completing and executing the Scheme Transfer, duly executed on behalf of the Scheme Shareholders (as transferors), and delivering it to Bidder; and
 - (ii) Bidder duly executing the Scheme Transfer (as transferee), attending to the stamping of the Scheme Transfer (if required) and delivering it to Target for registration; and
- (b) immediately following receipt of the Scheme Transfer in accordance with clause 4.2(a), Target must enter, or procure the entry of, the name of Bidder in the Share Register in respect of all the Scheme Shares transferred to Bidder in accordance with this Scheme.

5 Consideration

5.1 Entitlement to Consideration

Subject to the terms of this Scheme, on the Implementation Date in consideration for the transfer to the Bidder of the Scheme Shares, each Scheme Shareholder will be entitled to \$0.1667 for each Scheme Share.

5.2 Provision of Consideration

- (a) Bidder will provide the Consideration by depositing in cleared funds an amount equal to the aggregate amount of the Consideration for all Scheme Shares into the Trust Account on the Business Day before the Implementation Date (provided that any interest on the amount so deposited (less bank fees and other charges) (**Accrued Interest**) will accrue for the benefit of Bidder).
- (b) Subject to Bidder having complied with clause 5.2(a), Target must, on the Implementation Date and from the Trust Account, pay to each Scheme Shareholder the Consideration attributable to that Scheme Shareholder based on

the number of Scheme Shares held by that Scheme Shareholder as at the Record Date, which obligation will be satisfied by Target:

- (i) where a Scheme Shareholder has, before the Record Date, made an election in accordance with the requirements of the Share Registry to receive dividend payments from Target by electronic funds transfer to a bank account nominated by the Scheme Shareholder, paying, or procuring the payment of, the relevant amount in Australian currency by electronic means in accordance with that election; or
 - (ii) whether or not a Scheme Shareholder has made an election referred to in clause 5.2(b)(i), dispatching, or procuring the dispatch of, a cheque drawn on an Australian bank in Australian currency for the relevant amount to the Scheme Shareholder by prepaid post to their Registered Address, such cheque being drawn in the name of the Scheme Shareholder (or in the case of joint holders, in accordance with clause 5.3).
- (c) In the event that:
- (i) either:
 - (A) a Scheme Shareholder does not have a Registered Address; or
 - (B) Target as the trustee for the Scheme Shareholders believes that a Scheme Shareholder is not known at the Scheme Shareholder's Registered Address,

and no account has been notified in accordance with clause 5.2(b)(i) or a deposit into such an account is rejected or refunded; or
 - (ii) a cheque issued under clause 5.2(b) has been cancelled in accordance with clause 5.4(a),

Target as the trustee for the Scheme Shareholders may credit the amount payable to the relevant Scheme Shareholder to a separate bank account of Target (**Separate Account**) to be held until the Scheme Shareholder claims the amount or the amount is dealt with in accordance with the *Unclaimed Money Act 1995* (NSW). To avoid doubt, if the amount is not credited to a Separate Account, the amount will continue to be held in the Trust Account until the Scheme Shareholder claims the amount or the amount is dealt with in accordance with the *Unclaimed Money Act 1995* (NSW).

Until such time as the amount is dealt with in accordance with the *Unclaimed Money Act 1995* (NSW), Target must hold the amount on trust for the relevant Scheme Shareholder, but any interest or other benefit accruing from the amount will be to the benefit of Bidder. An amount credited to the Separate Account or Trust Account (as applicable) is to be treated as having been paid to the Scheme Shareholder when credited to the Separate Account or Trust Account (as applicable). Target must maintain records of the amounts paid, the people who are entitled to the amounts and any transfers of the amounts.

- (d) To the extent that there is a surplus in the amount held by Target as the trustee for the Scheme Shareholders in the Trust Account, that surplus may be paid by Target as the trustee for the Scheme Shareholders to Bidder following the satisfaction of Target's obligations as the trustee for the Scheme Shareholders under this clause 5.2.

- (e) Target must pay any Accrued Interest to any account nominated by Bidder following satisfaction of Target's obligations under clause 5.2(b) (and, in any event, on the Implementation Date).

5.3 Joint holders

In the case of Scheme Shares held in joint names:

- (a) any cheque required to be sent under this Scheme will be made payable to the joint holders and sent to the holder whose name appears first in the Share Register as at the Record Date; and
- (b) any other document required to be sent under this Scheme will be forwarded to the holder whose name appears first in the Share Register as at the Record Date.

5.4 Cancellation and re-issue of cheques

- (a) Target may cancel a cheque issued under clause 5.2(b) if the cheque:
 - (i) is returned to Target; or
 - (ii) has not been presented for payment within six months after the date on which the cheque was sent.
- (b) During the period of one year commencing on the Implementation Date, on request in writing from a Scheme Shareholder to Target (or the Share Registry) (which request may not be made until the date which is 5 Business Days after the Implementation Date), a cheque that was previously cancelled under clause 5.4(a) must be reissued.

5.5 Unclaimed monies

- (a) The *Unclaimed Money Act 1995* (NSW) will apply in relation to any Consideration which becomes 'unclaimed money' (as defined in section 7 of the *Unclaimed Money Act 1995* (NSW)).
- (b) Any interest or other benefit accruing from unclaimed Consideration will be to the benefit of Bidder.

5.6 Orders of a court

If written notice is given to Target (or the Share Registry) of an order or direction made by a court of competent jurisdiction or by another Government Agency that:

- (a) requires payment to a third party of a sum in respect of Scheme Shares held by a particular Scheme Shareholder, which sum would otherwise be payable to that Scheme Shareholder by Target in accordance with this clause 5, then Target will be entitled to make that payment (or procure that it is made) in accordance with that order or direction; or
- (b) prevents Target from making a payment to a particular Scheme Shareholder in accordance with clause 5.2(b), or such payment is otherwise prohibited by applicable law, Target will be entitled to retain an amount, in Australian dollars, equal to the amount of the relevant payment until such time as payment in accordance with this clause 5 is permitted by that order or otherwise by law.

5.7 Foreign resident capital gains withholding

If Bidder determines, acting reasonably and in good faith and following consultation with the Target, that it must pay an amount to the Commissioner pursuant to Subdivision 14-D of Schedule 1 to the *Tax Administration Act 1953* (Cth) (**TAA**) with respect to the acquisition of the Scheme Shares from a Scheme Shareholder, Bidder will, for any such Scheme Shareholder:

- (a) determine the amount to be paid to the Commissioner (**Payment Amount**);
- (b) remit the Payment Amount to the Commissioner within the time required under the TAA; and
- (c) reduce the amount of Consideration payable to that Scheme Shareholder by the Payment Amount for the purposes of the Deed Poll, this Scheme and the Implementation Deed.

For the avoidance of doubt, Bidder will, for the purposes of the Deed Poll, this Scheme and the Implementation Deed, be deemed to have satisfied its obligations to pay the Consideration to a Scheme Shareholder if the amount paid to the Scheme Shareholder is the amount of the Consideration that would have otherwise been payable to the Scheme Shareholder pursuant to the Scheme, less the Payment Amount for that Scheme Shareholder.

6 Dealings in Target Shares

6.1 Determination of Scheme Shareholders

To establish the identity of the Scheme Shareholders, dealings in Target Shares or other alterations to the Share Register will only be recognised if:

- (a) in the case of dealings of the type to be effected using CHESS, the transferee is registered in the Share Register as the holder of the relevant Target Shares at or before the Record Date; and
- (b) in all other cases, registrable transfer or transmission applications in respect of those dealings, or valid requests in respect of other alterations, are received at or before the Record Date at the place where the Share Register is kept,

and Target must not accept for registration, nor recognise for any purpose (except a transfer to Bidder pursuant to this Scheme and any subsequent transfer by Bidder or its successors in title), any transfer or transmission application or other request received on or after the Record Date, or received prior to the Record Date but not in registrable or actionable form.

6.2 Share Register

- (a) Target must register registrable transmission applications or transfers of Target Shares in accordance with clause 6.1(b) at or before the Record Date, provided that nothing in this clause 6.2(a) requires Target to register a transfer that would result in a Target Shareholder holding a parcel of Target Shares that is less than a 'marketable parcel' (as defined in the operating rules of ASX).
- (b) If this Scheme becomes Effective, a Scheme Shareholder (and any person claiming through that holder) must not dispose of, or purport or agree to dispose of, any Scheme Shares or any interest in them after the Record Date otherwise than

pursuant to this Scheme, and any attempt to do so will have no effect and Target will be entitled to disregard any such disposal, purported disposal or agreement.

- (c) For the purpose of determining entitlements to the Consideration, Target must maintain the Share Register in accordance with the provisions of this clause 6.2 until the Consideration has been paid to the Scheme Shareholders. The Share Register in this form will solely determine entitlements to the Consideration.
- (d) All statements of holding for Target Shares (other than statements of holding in favour of Bidder) will cease to have effect after the Record Date as documents of title in respect of those shares and, as from that date, each entry current at that date on the Share Register (other than entries in respect of Bidder) will cease to have effect except as evidence of entitlement to the Consideration in respect of the Target Shares relating to that entry.
- (e) As soon as possible after the Record Date, and in any event within one Business Day after the Record Date, Target will ensure that details of the names, Registered Addresses and holdings of Target Shares for each Scheme Shareholder as shown in the Share Register as at the Record Date are available to Bidder in the form Bidder reasonably requires.

7 Quotation of Target Shares

- (a) Target will apply to ASX to suspend trading in Target Shares with effect from the close of trading on the Effective Date.
- (b) Target will apply:
 - (i) for termination of the official quotation of Target Shares on the ASX; and
 - (ii) to have itself removed from the official list of ASX,

in each case with effect on and from the close of trading on the trading day immediately following, or shortly after, the Implementation Date.

8 General Scheme provisions

8.1 Consent to amendments to this Scheme

If the Court proposes to approve this Scheme subject to any alterations or conditions:

- (a) Target may by its counsel consent on behalf of all persons concerned to those alterations or conditions to which Bidder has consented; and
- (b) each Scheme Shareholder agrees to any such alterations or conditions which counsel for Target has consented to.

8.2 Scheme Shareholders' agreements and warranties

- (a) Each Scheme Shareholder:
 - (i) agrees to the transfer of their Target Shares together with all rights and entitlements attaching to those shares in accordance with this Scheme;

- (ii) agrees to the variation, cancellation or modification of the rights attached to their Target Shares constituted by or resulting from this Scheme; and
 - (iii) acknowledges that this Scheme binds Target and all Scheme Shareholders (including those who did not attend the Scheme Meeting and those who did not vote, or voted against this Scheme, at the Scheme Meeting).
- (b) Each Scheme Shareholder is taken to have warranted to Bidder, and appointed and authorised Target as its attorney and agent to warrant to Bidder, that:
 - (i) all their Scheme Shares (including any rights and entitlements attaching to their Scheme Shares) which are transferred under this Scheme will, at the time of transfer of them to Bidder, be fully paid and free from all:
 - (A) mortgages, charges, liens, encumbrances, pledges, security interests (including any 'security interests' within the meaning of section 12 of the *Personal Properties Securities Act 2009* (Cth)) and interests of third parties of any kind, whether legal or otherwise; and
 - (B) restrictions on transfer of any kind; and
 - (ii) they have full power and capacity to transfer their Scheme Shares to Bidder together with any rights and entitlements attaching to those shares.

8.3 Title to and rights in Scheme Shares

- (a) To the extent permitted by law, the Scheme Shares (including all rights and entitlements attaching to the Scheme Shares) transferred under this Scheme will, at the time of transfer of them to Bidder, vest in Bidder free from all:
 - (i) mortgages, charges, liens, encumbrances, pledges, security interests (including any 'security interests' within the meaning of section 12 of the *Personal Properties Securities Act 2009* (Cth)) and interests of third parties of any kind, whether legal or otherwise; and
 - (ii) restrictions on transfer of any kind.
- (b) Upon the Scheme becoming Effective, Bidder will be beneficially entitled to the Scheme Shares to be transferred to it under this Scheme pending registration by Target of Bidder in the Share Register as the holder of the Scheme Shares. Bidder's entitlement to be registered in the Share Register as the holder of the Scheme Shares arises on the Implementation Date in accordance with clause 4.2.

8.4 Appointment of sole proxy

Upon the Scheme becoming Effective and until Target registers Bidder as the holder of all Scheme Shares in the Share Register:

- (a) each Scheme Shareholder is deemed to have appointed Bidder as attorney and agent (and directed Bidder in each such capacity) to appoint any director, officer, secretary or agent nominated by Bidder as its sole proxy and, where applicable or appropriate, corporate representative to attend shareholders' meetings, exercise the votes attaching to the Scheme Shares registered in their name and sign any shareholders' resolution whether in person, by proxy or by corporate representative;

- (b) no Scheme Shareholder may itself attend or vote at any shareholders' meetings or sign any shareholders' resolutions, whether in person, by proxy or by corporate representative (other than pursuant to clause 8.4(a));
- (c) each Scheme Shareholder must take all other actions in the capacity of a registered holder of Scheme Shares as Bidder reasonably directs; and
- (d) each Scheme Shareholder acknowledges and agrees that in exercising the powers conferred by clause 8.4(a), Bidder and any director, officer, secretary or agent nominated by Bidder under that clause may act in the best interests of Bidder as the intended registered holder of the Scheme Shares.

8.5 Authority given to Target

On the Effective Date, each Scheme Shareholder, without the need for any further act, irrevocably appoints Target and each of its directors, officers and secretaries (jointly and each of them severally) as its attorney and agent for the purpose of:

- (a) enforcing the Deed Poll against Bidder; and
- (b) executing any document, or doing or taking any other act, necessary, desirable or expedient to give effect to this Scheme and the transactions contemplated by it, including executing the Scheme Transfer,

and Target accepts such appointment. Target, as attorney and agent of each Scheme Shareholder, may sub-delegate its functions, authorities or powers under this clause 8.5 to all or any of its directors, officers or employees (jointly, severally or jointly and severally).

8.6 Binding effect of this Scheme

This Scheme binds Target and all of the Scheme Shareholders (including those who did not attend the Scheme Meeting and those who did not vote, or voted against this Scheme, at the Scheme Meeting) and, to the extent of any inconsistency, overrides the constitution of Target.

9 General

9.1 Stamp duty

Bidder will:

- (a) pay all stamp duty (if any) and any related fines and penalties payable on or in respect of the transfer by the Scheme Shareholders of the Scheme Shares to Bidder pursuant to this Scheme or the Deed Poll; and
- (b) indemnify each Scheme Shareholder against any liability arising from failure to comply with clause 9.1(a).

9.2 Consent

Each Scheme Shareholder consents to Target doing all things necessary or incidental to give full effect to the implementation of this Scheme and the transactions contemplated by it.

9.3 Enforcement of Deed Poll

Target undertakes in favour of each Scheme Shareholder to enforce the Deed Poll against Bidder on behalf of and as agent and attorney for the Scheme Shareholder.

9.4 Notices

- (a) If a notice, transfer, transmission application, direction or other communication referred to in this Scheme is sent by post to Target, it will not be taken to be received in the ordinary course of post or on a date and time other than the date and time (if any) on which it is actually received at Target's registered office or at the office of the Share Registry.
- (b) The accidental omission to give notice of the Scheme Meeting or the non-receipt of such notice by a Target Shareholder will not, unless so ordered by the Court, invalidate the Scheme Meeting or the proceedings of the Scheme Meeting.

9.5 Governing law and jurisdiction

- (a) This Scheme is governed by the laws in force in New South Wales.
- (b) The parties irrevocably submit to the non-exclusive jurisdiction of courts exercising jurisdiction in New South Wales and courts competent to determine appeals from those courts in respect of any proceedings arising out of or in connection with this Scheme.
- (c) The parties irrevocably waive any objection to the venue of any legal process in these courts on the basis that the process has been brought in an inconvenient forum.

9.6 Further action

Target must do all things and execute all documents necessary to give full effect to this Scheme and the transactions contemplated by it.

9.7 No liability when acting in good faith

None of Target, Bidder, or any of their respective directors, officers, secretaries or employees, will be liable for anything done or omitted to be done in the performance of this Scheme or the Deed Poll in good faith.

1 Dictionary

Accrued Interest has the meaning given in clause 5.2(a).

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ABN 98 008 624 691) or, as the context requires, the financial market operated by it known as the “Australian Securities Exchange”.

Bidder means Temenos Group AG.

Business Day has the meaning given in the Listing Rules.

CHES means the Clearing House Electronic Subregister System operated by ASX Settlement Pty Limited and ASX Clear Pty Limited.

Commissioner means the Commissioner of Taxation.

Consideration means, in respect of each Scheme Share, A\$0.1667.

Corporations Act means the *Corporations Act 2001* (Cth).

Court means the Federal Court of Australia or such other court of competent jurisdiction under the Corporations Act agreed to in writing by Target and Bidder.

Deed Poll means the deed poll dated [*insert*] under which Bidder covenants in favour of Scheme Shareholders to provide the Consideration in accordance with the terms of this Scheme.

Delivery Time means 8.00am on the Second Court Date, or if the commencement of the hearing is adjourned, 2 hours before the commencement of the adjourned hearing, of the court to approve the Scheme in accordance with section 411(4)(b) of the Corporations Act is due to commence.

Effective means the coming into effect, pursuant to section 411(10) of the Corporations Act, of the order of the Court made under section 411(4)(b) of the Corporations Act in relation to this Scheme.

Effective Date means the date on which this Scheme becomes Effective.

End Date means the date that is 6 months after the date of this deed or such later date as Bidder and Target agree in writing.

Government Agency means any foreign or Australian government or governmental, semi-governmental, administrative, fiscal, statutory or judicial body, department, commission, authority, tribunal, agency or entity, or any minister of the Crown in right of the Commonwealth of Australia or any state, or any other federal, state, provincial, local or other government, whether foreign or Australian. It also includes any self-regulatory organisation established under statute or otherwise discharging substantially public or regulatory functions (including ASIC and the Takeovers Panel).

Implementation Date means the fifth Business Day after the Record Date or such other date as the parties to the Implementation Deed agree in writing.

Implementation Deed means the scheme implementation deed dated 14 February 2017 between Bidder and Target relating to (among other things) the implementation of this Scheme.

Listing Rules means the official listing rules of ASX.

Record Date means 7:00pm on the fifth Business Day after the Effective Date of the Scheme.

Registered Address means, in relation to a Target Shareholder, the address shown in the Share Register as at the Record Date.

Target Share means a fully paid ordinary share in the capital of Target.

Target Shareholder means a holder of one or more Target Shares, as shown in the Share Register.

Scheme means this scheme of arrangement subject to any alterations or conditions made or required by the Court under section 411(6) of the Corporations Act and agreed to by Bidder and Target.

Scheme Meeting means the meeting of Target Shareholders ordered by the Court to be convened under section 411(1) of the Corporations Act.

Scheme Share means a Target Share held by a Scheme Shareholder as at the Record Date.

Scheme Shareholder means a Target Shareholder as at the Record Date.

Scheme Transfer means one or more proper instruments of transfer in respect of the Scheme Shares for the purposes of section 1071B of the Corporations Act, which may be or include a master transfer of all or part of the Scheme Shares.

Second Court Date means the first day on which an application made to the Court for an order under section 411(4)(b) of the Corporations Act approving this Scheme is heard (or, if the application is adjourned or subject to appeal for any reason, the day on which the adjourned application is heard), with such hearing being the **Second Court Hearing**.

Share Register means the register of Target Shareholders maintained in accordance with the Corporations Act.

Share Registry means Computershare Investor Services Pty Limited.

Trust Account means an Australian dollar denominated trust account which attracts interest at a commercial rate and is operated by Target as trustee for the Scheme Shareholders, details of which Target must notify to Bidder no later than 5 Business Days before the Implementation Date. To avoid doubt, any Accrued Interest on funds in the Trust Account will not be held by Target on trust for the Scheme Shareholders but rather will be held by Target on trust for Bidder.

2 Interpretation

In this Scheme, the following rules of interpretation apply unless the contrary intention appears.

- (a) Headings are for convenience only and do not affect the interpretation of this Scheme.
- (b) The singular includes the plural and vice versa.
- (c) Words that are gender neutral or gender specific include each gender.
- (d) Where a word or phrase is given a particular meaning, other parts of speech and grammatical forms of that word or phrase have corresponding meanings.
- (e) The words “include”, “including” and similar expressions are not words of limitation and do not limit what else might be included.
- (f) A reference to:
 - (i) a person includes a natural person, estate of a natural person, partnership, joint venture, government agency, association, corporation or other body corporate or entity (as that term is defined in section 64A of the Corporations Act);
 - (ii) a thing (including a chose in action or other right) includes a part of that thing;
 - (iii) a party includes its successors and permitted assigns;
 - (iv) a document includes all amendments or supplements to that document;
 - (v) a clause, term, party, schedule or attachment is a reference to a clause or term of, or a party, schedule or attachment to, this Scheme (as applicable);
 - (vi) this Scheme includes all schedules to it;
 - (vii) a law includes a constitutional provision, treaty, decree, convention, statute, regulation, ordinance, by-law, judgment, rule of common law or equity or a Listing Rule and is a reference to that law as amended, consolidated or replaced;
 - (viii) an agreement (other than this Scheme) includes an undertaking or legally enforceable arrangement or understanding (whether or not in writing);
 - (ix) a time period includes the date referred to as that on which the period begins and the date referred to as that on which the period ends; and
 - (x) a monetary amount is in Australian dollars.

Attachment C Deed Poll

Deed poll

Temenos Group AG

In favour of each person registered as a holder of fully paid ordinary shares in Rubik Financial Limited (ACN 071 707 232) as at the Record Date

Contents

Page

1	Defined terms and interpretation	1
1.1	Defined terms	1
1.2	Interpretation	1
1.3	Nature of deed poll	1
2	Conditions	1
2.1	Conditions	1
2.2	Termination	2
2.3	Consequences of termination	2
3	Scheme obligations	2
4	Warranties	2
5	Continuing obligations	3
6	Further assurances	3
7	General	3
7.1	Stamp duty	3
7.2	Notices	3
7.3	Cumulative rights	4
7.4	Waiver and variation	4
7.5	Governing law and jurisdiction	4
7.6	Assignment	5
7.7	Counterparts	5
7.8	Further action	5
7.9	Foreign resident capital gains withholding	5
	Execution page	6

Date:

Parties

- 1 **Temenos Group AG** of 2 rue de l'Ecole-de-Chimie, 1205 Geneva, Switzerland (**Bidder**)
 - 2 In favour of each person registered as a holder of fully paid ordinary shares in Rubik Financial Limited (ACN 071 707 232) (**Target**) as at the Record Date (**Scheme Shareholders**)
-

Background

- A Bidder and Target have entered into the Implementation Deed, under which Bidder is to pay the Consideration and acquire all Scheme Shares held by Scheme Shareholders under the Scheme, and also under which Bidder has agreed to enter into this deed poll.
- B Bidder is entering into this deed poll for the purpose of covenanting in favour of the Scheme Shareholders to procure and undertake the actions attributed to Bidder under the Scheme.

The parties agree

1 Defined terms and interpretation

1.1 Defined terms

Unless the context otherwise requires, terms defined in the Scheme have the same meaning when used in this deed poll.

1.2 Interpretation

Clause 2 of Schedule 1 of the Scheme applies to the interpretation of this deed poll, except that references to 'Scheme' are to be read as references to 'deed poll'.

1.3 Nature of deed poll

Bidder acknowledges and agrees that:

- (a) this deed poll may be relied on and enforced by any Scheme Shareholder in accordance with its terms even though the Scheme Shareholders are not party to it; and
 - (b) under the Scheme, each Scheme Shareholder irrevocably appoints Target and each of its directors, officers and secretaries (jointly and each of them severally) as its agent and attorney to enforce this deed poll against Bidder.
-

2 Conditions

2.1 Conditions

The obligations of Bidder under this deed poll are subject to the Scheme becoming Effective.

2.2 Termination

The obligations of Bidder under this deed poll will automatically terminate and the terms of this deed poll will be of no further force or effect if:

- (a) the Implementation Deed is terminated in accordance with its terms; or
- (b) the Scheme does not become Effective by the End Date.

2.3 Consequences of termination

If this deed poll is terminated under clause 2.2, in addition and without prejudice to any other available rights, powers or remedies available to Scheme Shareholders:

- (a) Bidder is released from its obligations to further perform this deed poll; and
- (b) each Scheme Shareholder retains the rights they have against Bidder in respect of any breach of this deed poll which occurs before it was terminated.

3 Scheme obligations

Subject to clause 2, Bidder undertakes in favour of each Scheme Shareholder to:

- (a) deposit (or procure the deposit of) the aggregate amount of the Consideration for all Scheme Shares in cleared funds into a trust account operated by Target as trustee for the Scheme Shareholders, by no later than the Business Day before the Implementation Date (except that the amount of any interest on the amount deposited will be to Bidder's account); and
- (b) undertake all other actions attributed to it under the Scheme,

in each case subject to and in accordance with the terms of the Scheme.

4 Warranties

The Bidder represents and warrants that:

- (a) it is a corporation validly existing under the laws of its place of incorporation;
- (b) it has the corporate power to enter into and perform its obligations under this deed poll and to carry out the transactions contemplated by this deed poll;
- (c) it has taken all necessary corporate action to authorise its entry into this deed poll and has taken or will take all necessary corporate action to authorise the performance by it of this deed poll;
- (d) this deed poll is valid and binding on it and is enforceable against it in accordance with its terms; and
- (e) the execution and performance by it of this deed poll did not and will not violate or breach any provision of:
 - (i) a law or treaty or a judgment, ruling, order or decree binding on it; or
 - (ii) its constitution.

5 Continuing obligations

This deed poll is irrevocable and, subject to clause 2, remains in full force and effect until:

- (a) Bidder has fully performed its obligations under this deed poll; or
- (b) the earlier termination of this deed poll under clause 2.2.

6 Further assurances

Bidder will do all things and execute all documents necessary to give full effect to this deed poll and the transactions contemplated by it.

7 General

7.1 Stamp duty

Bidder must:

- (a) pay all stamp duty (if any) and any related fines and penalties payable on or in respect of the transfer by the Scheme Shareholders of the Scheme Shares to Bidder pursuant to the Scheme or this deed poll; and
- (b) indemnify each Scheme Shareholder against any liability arising from failure to comply with clause 7.1(a).

7.2 Notices

Any notice or other communication to Bidder in connection with this deed poll must be:

- (a) in legible writing in English;
- (b) signed by the person making the communication or that person's duly authorised agent; and
- (c) given by hand delivery or pre-paid post in accordance with the details set out below:

Bidder

Attention: Legal Department
Address: 2 rue de l'Ecole-de-Chimie,
1205 Geneva
Switzerland

- (d) Subject to clause 7.2(e), any notice or other communication given in accordance with clause 7.2 will be deemed to have been duly given as follows:
 - (i) if delivered by hand, on delivery; and
 - (ii) if sent by pre-paid post, on receipt.

- (e) Any notice or other communication that, pursuant to clause 7.2(d), would be deemed to be given:
 - (i) other than on a Business Day or after 5:00pm on a Business Day is regarded as given at 9:00am on the following Business Day; and
 - (ii) before 9:00am on a Business Day is regarded as given at 9:00am on that Business Day,

where references to time are to time in the place the recipient is located.

7.3 Cumulative rights

The rights, powers and remedies of Bidder and the Scheme Shareholders under this deed poll are cumulative with and do not exclude the rights, powers or remedies provided by law independently of this deed poll.

7.4 Waiver and variation

- (a) A party waives a right under this deed poll only by written notice that it waives that right. A waiver is limited to the specific instance to which it relates and to the specific purpose for which it is given.
- (b) Failure to exercise or enforce, a delay in exercising or enforcing or the partial exercise or enforcement of any right, power or remedy provided by law or under this deed poll by any party will not in any way preclude, or operate as a waiver of, any exercise or enforcement, or further exercise or enforcement, of that or any other right, power or remedy provided by law or under this deed poll.
- (c) A provision of this deed poll may not be varied unless:
 - (i) if before the First Court Date (as defined in the Implementation Deed), the variation is agreed to by Target in writing; or
 - (ii) if on or after the First Court Date (as defined in the Implementation Deed), the variation is agreed to by Target in writing and the Court indicates that the variation would not of itself preclude approval of the Scheme,

in which event Bidder must enter into a further deed poll in favour of the Scheme Shareholders giving effect to the variation.

7.5 Governing law and jurisdiction

- (a) This deed poll is governed by the laws in force in New South Wales.
- (b) The parties irrevocably submit to the non-exclusive jurisdiction of courts exercising jurisdiction in New South Wales and courts competent to determine appeals from those courts in respect of any proceedings arising out of or in connection with this deed poll.
- (c) The parties irrevocably waive any objection to the venue of any legal process in these courts on the basis that the process has been brought in an inconvenient forum.

7.6 Assignment

- (a) The rights created by this deed poll are personal to Bidder and each Scheme Shareholder and must not be assigned, encumbered or otherwise dealt with at law or in equity without the prior written consent of Bidder.
- (b) Any purported dealing in contravention of clause 7.6(a) is invalid.

7.7 Counterparts

This deed poll may be executed in counterparts, all of which taken together constitute one document.

7.8 Further action

Bidder must, at its own expense, do all things and execute all documents necessary to give full effect to this deed poll and the transactions contemplated by it.

7.9 Foreign resident capital gains withholding

If Bidder determines, acting reasonably and in good faith and following consultation with the Target, that it must pay an amount to the Commissioner pursuant to Subdivision 14-D of Schedule 1 to the *Tax Administration Act 1953* (Cth) (**TAA**) with respect to the acquisition of the Scheme Shares from a Scheme Shareholder, Bidder will, for any such Scheme Shareholder:

- (a) determine the amount to be paid to the Commissioner (**Payment Amount**);
- (b) remit the Payment Amount to the Commissioner within the time required under the TAA; and
- (c) reduce the amount of Consideration payable to that Scheme Shareholder by the Payment Amount for the purposes of the Deed Poll, this Scheme and the Implementation Deed.

For the avoidance of doubt, Bidder will, for the purposes of this Deed Poll, the Scheme and the Implementation Deed, be deemed to have satisfied its obligations to pay the Consideration to a Scheme Shareholder if the amount paid to the Scheme Shareholder is the amount of the Consideration that would have otherwise been payable to the Scheme Shareholder pursuant to the Scheme, less the Payment Amount for that Scheme Shareholder.

Execution page

Executed as a deed poll

SIGNED AND DELIVERED by)
..... as authorised)
representative for **TEMENOS GROUP**)
AG in the presence of:)

.....)
Signature of witness)

.....)
Name of witness (block letters))

.....
By executing this document the
signatory warrants that the signatory is
duly authorised to execute this
document on behalf of **TEMENOS**
GROUP AG

**Attachment C Scheme of Arrangement made under section 411
of the Corporations Act**

Scheme of arrangement

Rubik Financial Limited (ACN 071 707 232)

**Each person registered as a holder of fully paid ordinary shares in Target as at the
Record Date**

Contents

Page

1	Defined terms and interpretation	1
1.1	Defined terms	1
1.2	Interpretation	1
2	Preliminary matters	1
3	Conditions	2
3.1	Conditions precedent	2
3.2	Conditions precedent and operation of clause 4	2
3.3	Certificates	2
3.4	End Date	2
4	Implementation of this Scheme	3
4.1	Lodgement of Court orders with ASIC	3
4.2	Transfer of Scheme Shares	3
5	Consideration	3
5.1	Entitlement to Consideration	3
5.2	Provision of Consideration	3
5.3	Joint holders	5
5.4	Cancellation and re-issue of cheques	5
5.5	Unclaimed monies	5
5.6	Orders of a court	5
5.7	Foreign resident capital gains withholding	6
6	Dealings in Target Shares	6
6.1	Determination of Scheme Shareholders	6
6.2	Share Register	6
7	Quotation of Target Shares	7
8	General Scheme provisions	7
8.1	Consent to amendments to this Scheme	7
8.2	Scheme Shareholders' agreements and warranties	8
8.3	Title to and rights in Scheme Shares	8

8.4	Appointment of sole proxy	9
8.5	Authority given to Target	9
8.6	Binding effect of this Scheme	9
9	General	10
9.1	Stamp duty	10
9.2	Consent	10
9.3	Enforcement of Deed Poll	10
9.4	Notices	10
9.5	Governing law and jurisdiction	10
9.6	Further action	10
9.7	No liability when acting in good faith	11
Schedule 1	— Dictionary	12

Parties

- 1 **Rubik Financial Limited** ACN 071 707 232 of Level 10, 85 Castlereagh Street, Sydney NSW 2000, Australia (**Target**)
- 2 Each person registered as a holder of fully paid ordinary shares in Target as at the Record Date (**Scheme Shareholders**)

The parties agree

1 Defined terms and interpretation

1.1 Defined terms

A term or expression starting with a capital letter which is defined in the dictionary in Schedule 1 has the meaning given to it in the dictionary.

1.2 Interpretation

The interpretation clause in Schedule 1 sets out rules of interpretation for this Scheme.

2 Preliminary matters

- (a) Target is an Australian public company limited by shares, and has been admitted to the official list of ASX.
- (b) Target Shares are quoted for trading on the ASX.
- (c) As at [*insert date*], there were [*insert number*] Target Shares that are quoted for trading on the ASX.
- (d) Bidder is a public limited company listed on the SIX Swiss Exchange.
- (e) If this Scheme becomes Effective:
 - (i) Bidder must provide or procure the provision of the Consideration to Scheme Shareholders in accordance with this Scheme and the Deed Poll; and
 - (ii) all the Scheme Shares, and all the rights and entitlements attaching to them as at the Implementation Date, will be transferred to Temenos Australia and Target will enter the name of Temenos Australia in the Share Register in respect of all the Scheme Shares.
- (f) Bidder and Target have entered into the Implementation Deed in respect of (among other things) the implementation of this Scheme.
- (g) Bidder has nominated Temenos Australia to take transfer of the Scheme Shares in accordance with the provisions of clause 2(c) of the Scheme Implementation Deed.
- (h) This Scheme attributes actions to Bidder and Temenos Australia but does not itself impose any obligations on Bidder or Temenos Australia to perform those actions. By executing the Deed Poll, Bidder has agreed to perform the actions attributed to it under this Scheme and to procure that Temenos Australia performs the actions

attributed to it under this Scheme. By executing the Deed Poll, Bidder agrees to perform its obligations under the Deed Poll, including payment of the Consideration in accordance with the terms of this Scheme.

3 Conditions

3.1 Conditions precedent

This Scheme is conditional on and will have no force or effect until and unless the following conditions precedent are satisfied:

- (a) all the conditions in clause 3.1 of the Implementation Deed (other than the condition in clause 3.1(a) of the Implementation Deed relating to Court approval of this Scheme) are satisfied or waived in accordance with the terms of the Implementation Deed by the Delivery Time;
- (b) neither the Implementation Deed nor the Deed Poll is terminated in accordance with its terms by the Delivery Time;
- (c) this Scheme is approved by the Court under section 411(4)(b) of the Corporations Act, including with any alterations made or required by the Court under section 411(6) of the Corporations Act as are acceptable to Target and Bidder;
- (d) such other conditions made or required by the Court under section 411(6) of the Corporations Act in relation to this Scheme as are acceptable to Target and Bidder are satisfied or waived; and
- (e) the order of the Court made under section 411(4)(b) of the Corporations Act approving this Scheme comes into effect pursuant to section 411(10) of the Corporations Act.

3.2 Conditions precedent and operation of clause 4

The satisfaction of each condition of clause 3.1 of this Scheme is a condition precedent to the operation of clause 4 of this Scheme.

3.3 Certificates

- (a) Each of Target and Bidder will provide a certificate to the Court at the Second Court Hearing confirming (in respect of matters within their knowledge) whether or not the conditions precedent in clauses 3.1(a) and 3.1(b) above have been satisfied or waived as at the Delivery Time.
- (b) The certificates given by Target and Bidder constitute conclusive evidence that the conditions precedent in clauses 3.1(a) and 3.1(b) above have been satisfied or waived as at the Delivery Time.

3.4 End Date

This Scheme will lapse and be of no further force or effect and each of Bidder and Target will be released from any further obligation to take steps to implement the Scheme if:

- (a) the Effective Date does not occur on or before the End Date; or

- (b) the Implementation Deed or the Deed Poll is terminated in accordance with its terms before the Scheme becomes Effective, unless the Bidder and Target otherwise agree in writing.

4 Implementation of this Scheme

4.1 Lodgement of Court orders with ASIC

Provided the conditions precedent set out in clause 3.1 of this Scheme (other than the condition precedent in clause 3.1(e)) are satisfied, for the purposes of section 411(10) of the Corporations Act, Target must lodge with ASIC an office copy of the order made by the Court under section 411(4)(b) of the Corporations Act approving this Scheme as soon as possible, and in any event no later than 5:00pm on the Business Day following the day on which such office copy is received by Target or such later date as Target and Bidder agree in writing.

4.2 Transfer of Scheme Shares

On the Implementation Date:

- (a) subject to the provision of the Consideration in the manner contemplated by clause 5.2(a), the Scheme Shares, together with all rights and entitlements attaching to them as at the Implementation Date, must be transferred to Temenos Australia, without the need for any further act by any Scheme Shareholder (other than acts performed by Target as attorney and agent for Scheme Shareholders under clause 8.5), by:
 - (i) Target duly completing and executing the Scheme Transfer, duly executed on behalf of the Scheme Shareholders (as transferors), and delivering it to Temenos Australia; and
 - (ii) Temenos Australia duly executing the Scheme Transfer (as transferee), attending to the stamping of the Scheme Transfer (if required) and delivering it to Target for registration; and
- (b) immediately following receipt of the Scheme Transfer in accordance with clause 4.2(a), Target must enter, or procure the entry of, the name of Temenos Australia in the Share Register in respect of all the Scheme Shares transferred to Temenos Australia in accordance with this Scheme.

5 Consideration

5.1 Entitlement to Consideration

Subject to the terms of this Scheme, on the Implementation Date in consideration for the transfer to Temenos Australia of the Scheme Shares, each Scheme Shareholder will be entitled to \$0.1667 for each Scheme Share.

5.2 Provision of Consideration

- (a) Bidder will provide the Consideration by depositing or procuring the deposit of, in cleared funds an amount equal to the aggregate amount of the Consideration for all Scheme Shares into the Trust Account on the Business Day before the Implementation Date (provided that any interest on the amount so deposited (less

bank fees and other charges) (**Accrued Interest**) will accrue for the benefit of Bidder).

- (b) Subject to Bidder having complied with clause 5.2(a), Target must, on the Implementation Date and from the Trust Account, pay to each Scheme Shareholder the Consideration attributable to that Scheme Shareholder based on the number of Scheme Shares held by that Scheme Shareholder as at the Record Date, which obligation will be satisfied by Target:
 - (i) where a Scheme Shareholder has, before the Record Date, made an election in accordance with the requirements of the Share Registry to receive dividend payments from Target by electronic funds transfer to a bank account nominated by the Scheme Shareholder, paying, or procuring the payment of, the relevant amount in Australian currency by electronic means in accordance with that election; or
 - (ii) whether or not a Scheme Shareholder has made an election referred to in clause 5.2(b)(i), dispatching, or procuring the dispatch of, a cheque drawn on an Australian bank in Australian currency for the relevant amount to the Scheme Shareholder by prepaid post to their Registered Address, such cheque being drawn in the name of the Scheme Shareholder (or in the case of joint holders, in accordance with clause 5.3).
- (c) In the event that:
 - (i) either:
 - (A) a Scheme Shareholder does not have a Registered Address; or
 - (B) Target as the trustee for the Scheme Shareholders believes that a Scheme Shareholder is not known at the Scheme Shareholder's Registered Address,and no account has been notified in accordance with clause 5.2(b)(i) or a deposit into such an account is rejected or refunded; or
 - (ii) a cheque issued under clause 5.2(b) has been cancelled in accordance with clause 5.4(a),

Target as the trustee for the Scheme Shareholders may credit the amount payable to the relevant Scheme Shareholder to a separate bank account of Target (**Separate Account**) to be held until the Scheme Shareholder claims the amount or the amount is dealt with in accordance with the *Unclaimed Money Act 1995* (NSW). To avoid doubt, if the amount is not credited to a Separate Account, the amount will continue to be held in the Trust Account until the Scheme Shareholder claims the amount or the amount is dealt with in accordance with the *Unclaimed Money Act 1995* (NSW).

Until such time as the amount is dealt with in accordance with the *Unclaimed Money Act 1995* (NSW), Target must hold the amount on trust for the relevant Scheme Shareholder, but any interest or other benefit accruing from the amount will be to the benefit of Bidder. An amount credited to the Separate Account or Trust Account (as applicable) is to be treated as having been paid to the Scheme Shareholder when credited to the Separate Account or Trust Account (as applicable). Target must maintain records of the amounts paid, the people who are entitled to the amounts and any transfers of the amounts.

- (d) To the extent that there is a surplus in the amount held by Target as the trustee for the Scheme Shareholders in the Trust Account, that surplus may be paid by Target as the trustee for the Scheme Shareholders to Bidder following the satisfaction of Target's obligations as the trustee for the Scheme Shareholders under this clause 5.2.
- (e) Target must pay any Accrued Interest to any account nominated by Bidder following satisfaction of Target's obligations under clause 5.2(b) (and, in any event, on the Implementation Date).

5.3 Joint holders

In the case of Scheme Shares held in joint names:

- (a) any cheque required to be sent under this Scheme will be made payable to the joint holders and sent to the holder whose name appears first in the Share Register as at the Record Date; and
- (b) any other document required to be sent under this Scheme will be forwarded to the holder whose name appears first in the Share Register as at the Record Date.

5.4 Cancellation and re-issue of cheques

- (a) Target may cancel a cheque issued under clause 5.2(b) if the cheque:
 - (i) is returned to Target; or
 - (ii) has not been presented for payment within six months after the date on which the cheque was sent.
- (b) During the period of one year commencing on the Implementation Date, on request in writing from a Scheme Shareholder to Target (or the Share Registry) (which request may not be made until the date which is 5 Business Days after the Implementation Date), a cheque that was previously cancelled under clause 5.4(a) must be reissued.

5.5 Unclaimed monies

- (a) The *Unclaimed Money Act 1995* (NSW) will apply in relation to any Consideration which becomes 'unclaimed money' (as defined in section 7 of the *Unclaimed Money Act 1995* (NSW)).
- (b) Any interest or other benefit accruing from unclaimed Consideration will be to the benefit of Bidder.

5.6 Orders of a court

If written notice is given to Target (or the Share Registry) of an order or direction made by a court of competent jurisdiction or by another Government Agency that:

- (a) requires payment to a third party of a sum in respect of Scheme Shares held by a particular Scheme Shareholder, which sum would otherwise be payable to that Scheme Shareholder by Target in accordance with this clause 5, then Target will be entitled to make that payment (or procure that it is made) in accordance with that order or direction; or

- (b) prevents Target from making a payment to a particular Scheme Shareholder in accordance with clause 5.2(b), or such payment is otherwise prohibited by applicable law, Target will be entitled to retain an amount, in Australian dollars, equal to the amount of the relevant payment until such time as payment in accordance with this clause 5 is permitted by that order or otherwise by law.

5.7 Foreign resident capital gains withholding

If Bidder determines, acting reasonably and in good faith and following consultation with the Target, that it must pay an amount to the Commissioner pursuant to Subdivision 14-D of Schedule 1 to the *Tax Administration Act 1953* (Cth) (**TAA**) with respect to the acquisition of the Scheme Shares from a Scheme Shareholder, Bidder will, for any such Scheme Shareholder:

- (a) determine the amount to be paid to the Commissioner (**Payment Amount**);
- (b) remit the Payment Amount to the Commissioner within the time required under the TAA; and
- (c) reduce the amount of Consideration payable to that Scheme Shareholder by the Payment Amount for the purposes of the Deed Poll, this Scheme and the Implementation Deed.

For the avoidance of doubt, Bidder will, for the purposes of the Deed Poll, this Scheme and the Implementation Deed, be deemed to have satisfied its obligations to pay the Consideration to a Scheme Shareholder if the amount paid to the Scheme Shareholder is the amount of the Consideration that would have otherwise been payable to the Scheme Shareholder pursuant to the Scheme, less the Payment Amount for that Scheme Shareholder.

6 Dealings in Target Shares

6.1 Determination of Scheme Shareholders

To establish the identity of the Scheme Shareholders, dealings in Target Shares or other alterations to the Share Register will only be recognised if:

- (a) in the case of dealings of the type to be effected using CHESS, the transferee is registered in the Share Register as the holder of the relevant Target Shares at or before the Record Date; and
- (b) in all other cases, registrable transfer or transmission applications in respect of those dealings, or valid requests in respect of other alterations, are received at or before the Record Date at the place where the Share Register is kept,

and Target must not accept for registration, nor recognise for any purpose (except a transfer to Temenos Australia pursuant to this Scheme and any subsequent transfer by Temenos Australia or its successors in title), any transfer or transmission application or other request received on or after the Record Date, or received prior to the Record Date but not in registrable or actionable form.

6.2 Share Register

- (a) Target must register registrable transmission applications or transfers of Target Shares in accordance with clause 6.1(b) at or before the Record Date, provided that nothing in this clause 6.2(a) requires Target to register a transfer that would

result in a Target Shareholder holding a parcel of Target Shares that is less than a 'marketable parcel' (as defined in the operating rules of ASX).

- (b) If this Scheme becomes Effective, a Scheme Shareholder (and any person claiming through that holder) must not dispose of, or purport or agree to dispose of, any Scheme Shares or any interest in them after the Record Date otherwise than pursuant to this Scheme, and any attempt to do so will have no effect and Target will be entitled to disregard any such disposal, purported disposal or agreement.
- (c) For the purpose of determining entitlements to the Consideration, Target must maintain the Share Register in accordance with the provisions of this clause 6.2 until the Consideration has been paid to the Scheme Shareholders. The Share Register in this form will solely determine entitlements to the Consideration.
- (d) All statements of holding for Target Shares (other than statements of holding in favour of Temenos Australia) will cease to have effect after the Record Date as documents of title in respect of those shares and, as from that date, each entry current at that date on the Share Register (other than entries in respect of Temenos Australia) will cease to have effect except as evidence of entitlement to the Consideration in respect of the Target Shares relating to that entry.
- (e) As soon as possible after the Record Date, and in any event within one Business Day after the Record Date, Target will ensure that details of the names, Registered Addresses and holdings of Target Shares for each Scheme Shareholder as shown in the Share Register as at the Record Date are available to Temenos Australia in the form Temenos Australia reasonably requires.

7 Quotation of Target Shares

- (a) Target will apply to ASX to suspend trading in Target Shares with effect from the close of trading on the Effective Date.
- (b) Target will apply:
 - (i) for termination of the official quotation of Target Shares on the ASX; and
 - (ii) to have itself removed from the official list of ASX,in each case with effect on and from the close of trading on the trading day immediately following, or shortly after, the Implementation Date.

8 General Scheme provisions

8.1 Consent to amendments to this Scheme

If the Court proposes to approve this Scheme subject to any alterations or conditions:

- (a) Target may by its counsel consent on behalf of all persons concerned to those alterations or conditions to which Bidder has consented; and
- (b) each Scheme Shareholder agrees to any such alterations or conditions which counsel for Target has consented to.

8.2 Scheme Shareholders' agreements and warranties

- (a) Each Scheme Shareholder:
 - (i) agrees to the transfer of their Target Shares together with all rights and entitlements attaching to those shares in accordance with this Scheme;
 - (ii) agrees to the variation, cancellation or modification of the rights attached to their Target Shares constituted by or resulting from this Scheme; and
 - (iii) acknowledges that this Scheme binds Target and all Scheme Shareholders (including those who did not attend the Scheme Meeting and those who did not vote, or voted against this Scheme, at the Scheme Meeting).
- (b) Each Scheme Shareholder is taken to have warranted to Temenos Australia, and appointed and authorised Target as its attorney and agent to warrant to Temenos Australia, that:
 - (i) all their Scheme Shares (including any rights and entitlements attaching to their Scheme Shares) which are transferred under this Scheme will, at the time of transfer of them to Temenos Australia, be fully paid and free from all:
 - (A) mortgages, charges, liens, encumbrances, pledges, security interests (including any 'security interests' within the meaning of section 12 of the *Personal Property Securities Act 2009* (Cth)) and interests of third parties of any kind, whether legal or otherwise; and
 - (B) restrictions on transfer of any kind; and
 - (ii) they have full power and capacity to transfer their Scheme Shares to Temenos Australia together with any rights and entitlements attaching to those shares.

8.3 Title to and rights in Scheme Shares

- (a) To the extent permitted by law, the Scheme Shares (including all rights and entitlements attaching to the Scheme Shares) transferred under this Scheme will, at the time of transfer of them to Temenos Australia, vest in Temenos Australia free from all:
 - (i) mortgages, charges, liens, encumbrances, pledges, security interests (including any 'security interests' within the meaning of section 12 of the *Personal Property Securities Act 2009* (Cth)) and interests of third parties of any kind, whether legal or otherwise; and
 - (ii) restrictions on transfer of any kind.
- (b) Upon the Scheme becoming Effective, Temenos Australia will be beneficially entitled to the Scheme Shares to be transferred to it under this Scheme pending registration by Target of Temenos Australia in the Share Register as the holder of the Scheme Shares. Temenos Australia's entitlement to be registered in the Share Register as the holder of the Scheme Shares arises on the Implementation Date in accordance with clause 4.2.

8.4 Appointment of sole proxy

Upon the Scheme becoming Effective and until Target registers Temenos Australia as the holder of all Scheme Shares in the Share Register:

- (a) each Scheme Shareholder is deemed to have appointed Temenos Australia as attorney and agent (and directed Temenos Australia in each such capacity) to appoint any director, officer, secretary or agent nominated by Temenos Australia as its sole proxy and, where applicable or appropriate, corporate representative to attend shareholders' meetings, exercise the votes attaching to the Scheme Shares registered in their name and sign any shareholders' resolution whether in person, by proxy or by corporate representative;
- (b) no Scheme Shareholder may itself attend or vote at any shareholders' meetings or sign any shareholders' resolutions, whether in person, by proxy or by corporate representative (other than pursuant to clause 8.4(a));
- (c) each Scheme Shareholder must take all other actions in the capacity of a registered holder of Scheme Shares as Temenos Australia reasonably directs; and
- (d) each Scheme Shareholder acknowledges and agrees that in exercising the powers conferred by clause 8.4(a), Temenos Australia and any director, officer, secretary or agent nominated by Temenos Australia under that clause may act in the best interests of Temenos Australia as the intended registered holder of the Scheme Shares.

8.5 Authority given to Target

On the Effective Date, each Scheme Shareholder, without the need for any further act, irrevocably appoints Target and each of its directors, officers and secretaries (jointly and each of them severally) as its attorney and agent for the purpose of:

- (a) enforcing the Deed Poll against Bidder; and
- (b) executing any document, or doing or taking any other act, necessary, desirable or expedient to give effect to this Scheme and the transactions contemplated by it, including executing the Scheme Transfer,

and Target accepts such appointment. Target, as attorney and agent of each Scheme Shareholder, may sub-delegate its functions, authorities or powers under this clause 8.5 to all or any of its directors, officers or employees (jointly, severally or jointly and severally).

8.6 Binding effect of this Scheme

This Scheme binds Target and all of the Scheme Shareholders (including those who did not attend the Scheme Meeting and those who did not vote, or voted against this Scheme, at the Scheme Meeting) and, to the extent of any inconsistency, overrides the constitution of Target.

9 General

9.1 Stamp duty

Bidder will:

- (a) or will procure that Temenos Australia pays all stamp duty (if any) and any related fines and penalties payable on or in respect of the transfer by the Scheme Shareholders of the Scheme Shares to Temenos Australia pursuant to this Scheme or the Deed Poll; and
- (b) indemnify each Scheme Shareholder against any liability arising from failure to comply with clause 9.1(a).

9.2 Consent

Each Scheme Shareholder consents to Target doing all things necessary or incidental to give full effect to the implementation of this Scheme and the transactions contemplated by it.

9.3 Enforcement of Deed Poll

Target undertakes in favour of each Scheme Shareholder to enforce the Deed Poll against Bidder on behalf of and as agent and attorney for the Scheme Shareholder.

9.4 Notices

- (a) If a notice, transfer, transmission application, direction or other communication referred to in this Scheme is sent by post to Target, it will not be taken to be received in the ordinary course of post or on a date and time other than the date and time (if any) on which it is actually received at Target's registered office or at the office of the Share Registry.
- (b) The accidental omission to give notice of the Scheme Meeting or the non-receipt of such notice by a Target Shareholder will not, unless so ordered by the Court, invalidate the Scheme Meeting or the proceedings of the Scheme Meeting.

9.5 Governing law and jurisdiction

- (a) This Scheme is governed by the laws in force in New South Wales.
- (b) The parties irrevocably submit to the non-exclusive jurisdiction of courts exercising jurisdiction in New South Wales and courts competent to determine appeals from those courts in respect of any proceedings arising out of or in connection with this Scheme.
- (c) The parties irrevocably waive any objection to the venue of any legal process in these courts on the basis that the process has been brought in an inconvenient forum.

9.6 Further action

Target must do all things and execute all documents necessary to give full effect to this Scheme and the transactions contemplated by it.

9.7 No liability when acting in good faith

None of Target, Bidder, Temenos Australia, or any of their respective directors, officers, secretaries or employees, will be liable for anything done or omitted to be done in the performance of this Scheme or the Deed Poll in good faith.

Schedule 1 — Dictionary

1 Dictionary

Accrued Interest has the meaning given in clause 5.2(a).

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ABN 98 008 624 691) or, as the context requires, the financial market operated by it known as the “Australian Securities Exchange”.

Bidder means Temenos Group AG.

Business Day has the meaning given in the Listing Rules.

CHES means the Clearing House Electronic Subregister System operated by ASX Settlement Pty Limited and ASX Clear Pty Limited.

Commissioner means the Commissioner of Taxation.

Consideration means, in respect of each Scheme Share, A\$0.1667.

Corporations Act means the *Corporations Act 2001* (Cth).

Court means the Federal Court of Australia or such other court of competent jurisdiction under the Corporations Act agreed to in writing by Target and Bidder.

Deed Poll means the deed poll dated 15 March 2017 under which Bidder covenants in favour of Scheme Shareholders to provide the Consideration in accordance with the terms of this Scheme.

Delivery Time means 8.00am on the Second Court Date, or if the commencement of the hearing is adjourned, 2 hours before the commencement of the adjourned hearing, of the court to approve the Scheme in accordance with section 411(4)(b) of the Corporations Act is due to commence.

Effective means the coming into effect, pursuant to section 411(10) of the Corporations Act, of the order of the Court made under section 411(4)(b) of the Corporations Act in relation to this Scheme.

Effective Date means the date on which this Scheme becomes Effective.

End Date means the date that is 6 months after the date of the Implementation Deed (being 14 February 2017) or such later date as Bidder and Target agree in writing.

Government Agency means any foreign or Australian government or governmental, semi-governmental, administrative, fiscal, statutory or judicial body, department, commission, authority, tribunal, agency or entity, or any minister of the Crown in right of the Commonwealth of Australia or any state, or any other federal, state, provincial, local or other government, whether foreign or Australian. It also includes any self-regulatory organisation established under statute or otherwise discharging substantially public or regulatory functions (including ASIC and the Takeovers Panel).

Implementation Date means the fifth Business Day after the Record Date or such other date as the parties to the Implementation Deed agree in writing.

Implementation Deed means the scheme implementation deed dated 14 February 2017 between Bidder and Target relating to (among other things) the implementation of this Scheme.

Listing Rules means the official listing rules of ASX.

Record Date means 7:00pm on the fifth Business Day after the Effective Date of the Scheme.

Registered Address means, in relation to a Target Shareholder, the address shown in the Share Register as at the Record Date.

Target Share means a fully paid ordinary share in the capital of Target.

Target Shareholder means a holder of one or more Target Shares, as shown in the Share Register.

Temenos Australia means Temenos Solutions Australia Pty Ltd (ACN 617 568 957).

Scheme means this scheme of arrangement subject to any alterations or conditions made or required by the Court under section 411(6) of the Corporations Act and agreed to by Bidder and Target.

Scheme Meeting means the meeting of Target Shareholders ordered by the Court to be convened under section 411(1) of the Corporations Act.

Scheme Share means a Target Share held by a Scheme Shareholder as at the Record Date.

Scheme Shareholder means a Target Shareholder as at the Record Date.

Scheme Transfer means one or more proper instruments of transfer in respect of the Scheme Shares for the purposes of section 1071B of the Corporations Act, which may be or include a master transfer of all or part of the Scheme Shares.

Second Court Date means the first day on which an application made to the Court for an order under section 411(4)(b) of the Corporations Act approving this Scheme is heard (or, if the application is adjourned or subject to appeal for any reason, the day on which the adjourned application is heard), with such hearing being the **Second Court Hearing**.

Share Register means the register of Target Shareholders maintained in accordance with the Corporations Act.

Share Registry means Computershare Investor Services Pty Limited.

Trust Account means an Australian dollar denominated trust account which attracts interest at a commercial rate and is operated by Target as trustee for the Scheme Shareholders, details of which Target must notify to Bidder no later than 5 Business Days before the Implementation Date. To avoid doubt, any Accrued Interest on funds in the Trust Account will not be held by Target on trust for the Scheme Shareholders but rather will be held by Target on trust for Bidder.

2 Interpretation

In this Scheme, the following rules of interpretation apply unless the contrary intention appears.

- (a) Headings are for convenience only and do not affect the interpretation of this Scheme.
- (b) The singular includes the plural and vice versa.
- (c) Words that are gender neutral or gender specific include each gender.
- (d) Where a word or phrase is given a particular meaning, other parts of speech and grammatical forms of that word or phrase have corresponding meanings.
- (e) The words “include”, “including” and similar expressions are not words of limitation and do not limit what else might be included.
- (f) A reference to:
 - (i) a person includes a natural person, estate of a natural person, partnership, joint venture, government agency, association, corporation or other body corporate or entity (as that term is defined in section 64A of the Corporations Act);
 - (ii) a thing (including a chose in action or other right) includes a part of that thing;
 - (iii) a party includes its successors and permitted assigns;
 - (iv) a document includes all amendments or supplements to that document;
 - (v) a clause, term, party, schedule or attachment is a reference to a clause or term of, or a party, schedule or attachment to, this Scheme (as applicable);
 - (vi) this Scheme includes all schedules to it;
 - (vii) a law includes a constitutional provision, treaty, decree, convention, statute, regulation, ordinance, by-law, judgment, rule of common law or equity or a Listing Rule and is a reference to that law as amended, consolidated or replaced;
 - (viii) an agreement (other than this Scheme) includes an undertaking or legally enforceable arrangement or understanding (whether or not in writing);
 - (ix) a time period includes the date referred to as that on which the period begins and the date referred to as that on which the period ends; and
 - (x) a monetary amount is in Australian dollars.

Attachment D Deed Poll

Deed poll

Temenos Group AG

In favour of each person registered as a holder of fully paid ordinary shares in Rubik Financial Limited (ACN 071 707 232) as at the Record Date

Contents	Page
1 Defined terms and interpretation	1
1.1 Defined terms	1
1.2 Interpretation	1
1.3 Nature of deed poll	1
2 Conditions	2
2.1 Conditions	2
2.2 Termination	2
2.3 Consequences of termination	2
3 Scheme obligations	2
4 Warranties	2
5 Continuing obligations	3
6 Further assurances	3
7 General	3
7.1 Stamp duty	3
7.2 Notices	3
7.3 Cumulative rights	4
7.4 Waiver and variation	4
7.5 Governing law and jurisdiction	5
7.6 Assignment	5
7.7 Counterparts	5
7.8 Further action	5
7.9 Foreign resident capital gains withholding	5
Execution page	6

Date:

Parties

- 1 **Temenos Group AG** of 2 rue de l'Ecole-de-Chimie, 1205 Geneva, Switzerland (**Bidder**)
 - 2 In favour of each person registered as a holder of fully paid ordinary shares in Rubik Financial Limited (ACN 071 707 232) (**Target**) as at the Record Date (**Scheme Shareholders**)
-

Background

- A Bidder and Target have entered into the Implementation Deed, under which Bidder is to pay the Consideration and Temenos Australia (which Bidder has nominated to take transfer of the Scheme Shares in accordance with the provisions of clause 2(c) of the Scheme Implementation Deed) is to acquire all Scheme Shares held by Scheme Shareholders under the Scheme, and also under which Bidder has agreed to enter into this deed poll.
- B Bidder is entering into this deed poll for the purpose of covenanting in favour of the Scheme Shareholders to procure and undertake the actions attributed to Bidder under the Scheme.

The parties agree

1 Defined terms and interpretation

1.1 Defined terms

Unless the context otherwise requires, terms defined in the scheme of arrangement between the Target and the Scheme Shareholders (**Scheme**) have the same meaning when used in this deed poll.

1.2 Interpretation

Clause 2 of Schedule 1 of the Scheme applies to the interpretation of this deed poll, except that references to 'Scheme' are to be read as references to 'deed poll'.

1.3 Nature of deed poll

Bidder acknowledges and agrees that:

- (a) this deed poll may be relied on and enforced by any Scheme Shareholder in accordance with its terms even though the Scheme Shareholders are not party to it; and
- (b) under the Scheme, each Scheme Shareholder irrevocably appoints Target and each of its directors, officers and secretaries (jointly and each of them severally) as its agent and attorney to enforce this deed poll against Bidder.

2 Conditions

2.1 Conditions

The obligations of Bidder under this deed poll are subject to the Scheme becoming Effective.

2.2 Termination

The obligations of Bidder under this deed poll will automatically terminate and the terms of this deed poll will be of no further force or effect if:

- (a) the Implementation Deed is terminated in accordance with its terms; or
- (b) the Scheme does not become Effective by the End Date.

2.3 Consequences of termination

If this deed poll is terminated under clause 2.2, in addition and without prejudice to any other available rights, powers or remedies available to Scheme Shareholders:

- (a) Bidder is released from its obligations to further perform this deed poll; and
- (b) each Scheme Shareholder retains the rights they have against Bidder in respect of any breach of this deed poll which occurs before it was terminated.

3 Scheme obligations

Subject to clause 2, Bidder undertakes in favour of each Scheme Shareholder to:

- (a) deposit (or procure the deposit of) the aggregate amount of the Consideration for all Scheme Shares in cleared funds into a trust account operated by Target as trustee for the Scheme Shareholders, by no later than the Business Day before the Implementation Date (except that the amount of any interest on the amount deposited will be to Bidder's account);
- (b) undertake all other actions attributed to it under the Scheme; and
- (c) procure that Temenos Australia undertakes all actions attributed to it under the Scheme,

in each case subject to and in accordance with the terms of the Scheme.

4 Warranties

The Bidder represents and warrants that:

- (a) it is a corporation validly existing under the laws of its place of incorporation;
- (b) it has the corporate power to enter into and perform its obligations under this deed poll and to carry out the transactions contemplated by this deed poll;

- (c) it has taken all necessary corporate action to authorise its entry into this deed poll and has taken or will take all necessary corporate action to authorise the performance by it of this deed poll;
- (d) this deed poll is valid and binding on it and is enforceable against it in accordance with its terms; and
- (e) the execution and performance by it of this deed poll did not and will not violate or breach any provision of:
 - (i) a law or treaty or a judgment, ruling, order or decree binding on it; or
 - (ii) its constitution.

5 Continuing obligations

This deed poll is irrevocable and, subject to clause 2, remains in full force and effect until:

- (a) Bidder has fully performed its obligations under this deed poll; or
- (b) the earlier termination of this deed poll under clause 2.2.

6 Further assurances

Bidder will do all things and execute all documents necessary to give full effect to this deed poll and the transactions contemplated by it.

7 General

7.1 Stamp duty

Bidder must:

- (a) or must procure that Temenos Australia pays all stamp duty (if any) and any related fines and penalties payable on or in respect of the transfer by the Scheme Shareholders of the Scheme Shares to Temenos Australia pursuant to the Scheme or this deed poll; and
- (b) indemnify each Scheme Shareholder against any liability arising from failure to comply with clause 7.1(a).

7.2 Notices

Any notice or other communication to Bidder in connection with this deed poll must be:

- (a) in legible writing in English;
- (b) signed by the person making the communication or that person's duly authorised agent; and
- (c) given by hand delivery or pre-paid post in accordance with the details set out below:

Bidder

Attention: Legal Department
Address: 2 rue de l'Ecole-de-Chimie,
1205 Geneva
Switzerland

- (d) Subject to clause 7.2(e), any notice or other communication given in accordance with clause 7.2 will be deemed to have been duly given as follows:
 - (i) if delivered by hand, on delivery; and
 - (ii) if sent by pre-paid post, on receipt.
- (e) Any notice or other communication that, pursuant to clause 7.2(d), would be deemed to be given:
 - (i) other than on a Business Day or after 5:00pm on a Business Day is regarded as given at 9:00am on the following Business Day; and
 - (ii) before 9:00am on a Business Day is regarded as given at 9:00am on that Business Day,

where references to time are to time in the place the recipient is located.

7.3 Cumulative rights

The rights, powers and remedies of Bidder and the Scheme Shareholders under this deed poll are cumulative with and do not exclude the rights, powers or remedies provided by law independently of this deed poll.

7.4 Waiver and variation

- (a) A party waives a right under this deed poll only by written notice that it waives that right. A waiver is limited to the specific instance to which it relates and to the specific purpose for which it is given.
- (b) Failure to exercise or enforce, a delay in exercising or enforcing or the partial exercise or enforcement of any right, power or remedy provided by law or under this deed poll by any party will not in any way preclude, or operate as a waiver of, any exercise or enforcement, or further exercise or enforcement, of that or any other right, power or remedy provided by law or under this deed poll.
- (c) A provision of this deed poll may not be varied unless:
 - (i) if before the First Court Date (as defined in the Implementation Deed), the variation is agreed to by Target in writing; or
 - (ii) if on or after the First Court Date (as defined in the Implementation Deed), the variation is agreed to by Target in writing and the Court indicates that the variation would not of itself preclude approval of the Scheme,

in which event Bidder must enter into a further deed poll in favour of the Scheme Shareholders giving effect to the variation.

7.5 Governing law and jurisdiction

- (a) This deed poll is governed by the laws in force in New South Wales.
- (b) The parties irrevocably submit to the exclusive jurisdiction of courts exercising jurisdiction in New South Wales and courts competent to determine appeals from those courts in respect of any proceedings arising out of or in connection with this deed poll.
- (c) The parties irrevocably waive any objection to the venue of any legal process in these courts on the basis that the process has been brought in an inconvenient forum.

7.6 Assignment

- (a) The rights created by this deed poll are personal to Bidder and each Scheme Shareholder and must not be assigned, encumbered or otherwise dealt with at law or in equity without the prior written consent of Bidder.
- (b) Any purported dealing in contravention of clause 7.6(a) is invalid.

7.7 Counterparts

This deed poll may be executed in counterparts, all of which taken together constitute one document.

7.8 Further action

Bidder must and must procure Temenos Australia, at its own expense, do all things and execute all documents necessary to give full effect to this deed poll and the transactions contemplated by it.

7.9 Foreign resident capital gains withholding

If Bidder determines, acting reasonably and in good faith and following consultation with the Target, that it must pay an amount to the Commissioner pursuant to Subdivision 14-D of Schedule 1 to the *Tax Administration Act 1953* (Cth) (**TAA**) with respect to the acquisition of the Scheme Shares from a Scheme Shareholder, Bidder will, for any such Scheme Shareholder:

- (a) determine the amount to be paid to the Commissioner (**Payment Amount**);
- (b) remit the Payment Amount to the Commissioner within the time required under the TAA; and
- (c) reduce the amount of Consideration payable to that Scheme Shareholder by the Payment Amount for the purposes of the Deed Poll, this Scheme and the Implementation Deed.

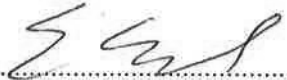
For the avoidance of doubt, Bidder will, for the purposes of this Deed Poll, the Scheme and the Implementation Deed, be deemed to have satisfied its obligations to pay the Consideration to a Scheme Shareholder if the amount paid to the Scheme Shareholder is the amount of the Consideration that would have otherwise been payable to the Scheme Shareholder pursuant to the Scheme, less the Payment Amount for that Scheme Shareholder.

Execution page


Executed as a deed poll

SIGNED AND DELIVERED by

Uxue Chaurand and Ariel Bassolas authorised
representatives for **TEMENOS GROUP**
AG in the presence of:


Signature of witness

EMILIE ERARD
Name of witness (block letters)


By executing this document the
signatories warrants that the
signatories are duly authorised to
execute this document on behalf of
TEMENOS GROUP AG

Attachment E Independent Expert's Report



Grant Thornton

An instinct for growth™

Rubik Financial Limited

Independent Expert's Report and Financial Services Guide

7 March 2017

Directors
Rubik Financial Limited
85 Castlereagh Street Level 10,
Sydney NSW 2000

Grant Thornton Corporate Finance Pty Ltd
ABN 59 003 265 987
AFSL 247140

Level 17, 383 Kent Street
Sydney NSW 2000
PO Locked Bag Q800
QVB Post Office
Sydney NSW 1230
T + 61 2 8297 2400
F + 61 2 9299 4445
E info@gtinsw.com.au
W www.granthornton.com.au

7 March 2017

Dear Directors

Independent Expert's Report and Financial Services Guide

Introduction

Rubik Financial Limited ("Rubik" or "the Company") is a financial technology ("FinTech") company proving technology and software solutions to the financial services sector in Australia. The Company is listed on the Australian Securities Exchange ("ASX") with a market capitalisation of \$62.7 million as at 3 March 2017.

Temenos Group AG ("Temenos") develops core banking software and provides various other solutions to banks (including analytics, reporting, risk and compliance, and multi-channel solutions). Temenos is headquartered in Geneva, Switzerland, and has partnered with Rubik since 2008 under an exclusive partnership agreement. Temenos is listed on SIX Swiss Exchange with a market capitalisation of circa \$6.5 billion as at 3 March 2017.

On 15 February 2017, the Company announced that it had entered into a binding Scheme Implementation Deed ("SID") under which it is proposed that Temenos will acquire 100% of the outstanding shares of Rubik ("Rubik Shares") via a scheme of arrangement ("Scheme" or "Proposed Transaction") for a cash consideration of 16.67 cents per share ("the Offer Price").

Subject to no superior proposal emerging and an independent expert concluding that the Scheme is in the best interest of Rubik Shareholders, the Board of Directors has unanimously recommended that Rubik Shareholders vote in favour of all the resolutions to effect the Scheme and each Director intends to vote all Rubik Shares held or controlled by them in favour of the Scheme.

Rubik's three largest shareholders¹, who currently represent approximately 44% of the shares on issue, have informed Rubik that they intend to vote in favour of the Scheme, in the absence of a superior proposal and subject to the Directors maintaining their unanimous recommendation to the Rubik Shareholders to vote in favour of the Scheme.

¹ Viburnum Funds Pty Ltd as manager of Viburnum Funds Pty Ltd ATF VF Strategic Equities Fund ("Viburnum"), LHC Capital Partners Pty Ltd and Regal Funds Management Pty Ltd. We note that none of these shareholders have made any commitment to hold or not dispose of their current holdings in Rubik. Their voting power at the time of the Scheme may be different from their current holdings.

At the same time of entering into the Scheme, Rubik received \$5 million² short term funding from Viburnum at arms' length to ensure the timely delivery of a number of recently signed customer contracts ("Viburnum Loan"). Refer to section 1.3 for details.

Purpose of the report

Whilst there is no legal requirement for the preparation of an independent expert's report in conjunction with the Scheme, the Directors of Rubik have decided to commission an independent expert's report to assist the shareholders of Rubik ("Rubik Shareholders") in assessing the merits of the Scheme.

Summary of opinion

Grant Thornton Corporate Finance has concluded that the Scheme is FAIR and REASONABLE and hence in the BEST INTERESTS of the Rubik Shareholders.

Fairness assessment

In accordance with the requirements of the Australian Securities and Investment Commission ("ASIC") Regulatory Guide 111 *Contents of expert reports* ("RG 111"), in forming our opinion in relation to the fairness of the Scheme to the Rubik Shareholders, Grant Thornton Corporate Finance has compared the value per share of Rubik before the Scheme on a 100% and fully diluted basis to the cash consideration of 16.67 cents per Rubik Share.

The following table summarises our fairness assessment:

Fairness assessment cents per share	Section Reference	Low	High
Fair market value of Rubik Shares (on a control basis)	6	11.46	16.90
Offer Price		16.67	16.67
Premium/ (discount)		5.20	(0.23)
Premium/ (discount) (%)		45.4%	-1.4%

Source: GTCF Calculations

The Offer Price of 16.67 cents per Rubik Share is within our assessed valuation range of a Rubik Share on a 100% and fully diluted basis. Accordingly, we conclude that the Scheme is **FAIR** to Rubik Shareholders.

We note that our assessed valuation range of Rubik is broad, however we believe that this is reasonable given the historical volatility in earnings of the Company, the industry in which it operates and the historical Research and Development ("R&D") expenses incurred for the development of the Rubik Model Bank. In addition, Management expects that the rollout of the Rubik Model Bank will strengthen and support future growth of the business, however there is uncertainty whether or not these growth opportunities will be realised within the anticipated timeframe, to their full extent or at all. Whilst we acknowledge that ASIC RG 111 requires the range of values to be as narrow as possible, we are of the opinion that of the selected value range is reasonable for a FinTech company in the growth phase of its business cycle.

² As at the end of February 2017, only \$2.1 million had been drawn down.

Rubik Shareholders should be aware that our assessment of the value per Rubik Share does not reflect the price at which Rubik Shares will trade if the Scheme is not implemented. The price at which Rubik Shares will ultimately trade depends on a range of factors including the liquidity of Rubik Shares, macro-economic conditions, and the underlying performance of the Rubik business.

Reasonableness assessment

RG111 establishes that an offer is reasonable if it is fair. In our evaluation of the Scheme, we have also considered the following likely advantages, disadvantages and other factors associated with the Proposed Transaction.

Advantages

Premium for control

A premium for control is applicable when the acquisition of control of a company or business would give rise to benefits such as the ability to realise synergies, access to cash flows, access to tax benefits and control of the board of directors of the company.

Evidence from studies indicates that premiums for control on successful takeovers have frequently been in the range of 20% to 40% in Australia and that the premiums vary significantly from transaction to transaction.

The Offer Price of 16.67 cents per share represents a premium of:

- 52% compared with the closing price of Rubik on 13 February 2017 (the last trading day before the announcement of the Scheme³).
- 73% compared with the 1 month VWAP of Rubik on 13 February 2017.
- 65% compared with the 3 month VWAP of Rubik on 13 February 2017.

This premium for control is unlikely to be available to Rubik Shareholders in the absence of a change of control transaction. Rubik Shareholders should be aware that trading volumes in Rubik Shares are low and hence the share trading price may not necessarily reflect the fair market value of a minority interest in Rubik.

Ability to realise their investment in Rubik

The Proposed Transaction represents an opportunity for all Rubik Shareholders to receive certain and immediate value for their investment in Rubik free of any realisation costs. By accepting the Proposed Transaction, Rubik Shareholders will avoid ongoing risks associated with the operations of Rubik which are summarised below in a non-exhaustive manner:

- Rubik has been achieving double digit revenue growth since FY13 mainly driven by external acquisitions. However, this has not translated into growth in underlying EBITDA margins due

³ The Company initiated a trading halt on 14 February 2017. The Proposed Transaction was announced on 15 February 2017 and trading of the Company's shares resumed on that day.

to the high integration costs of the acquired businesses as well as the upfront costs incurred in the development of new products/initiatives.

- Rubik's client base is highly concentrated with a significant portion of Rubik's revenue generated from the top 5 clients. Rubik's future financial performance could be materially adversely affected if one or more of the top clients switch over to competitors' products.
- During FY16, Rubik earned c. 47% of its revenue from the Wealth division, which provides software products to the wealth management and investment planning industry. Currently, the majority of the Wealth division's revenue is generated via the Coin Financial Planning Software ("Coin"). Coin is used by financial planners to provide comprehensive financial advices to their clients. Based on the recent changes in the regulatory environment, with the introduction of the Future of Financial Advice ("FOFA") reform in July 2012, the demand for comprehensive financial advice is expected to continue to reduce going forward which may impact the revenue generated by Coin. We note that Rubik's Wealth division revenue decreased from \$10.1 million in H1FY16 to \$9.4 million in H1FY17. This trend is expected to continue in FY17.
- Since FY16, the Company has invested \$12 million on the development of Rubik Model Bank⁴ with an additional \$5.5 million expected to completion⁵. Rubik Shareholders are currently exposed to the risk that completion of the development may take longer than expected or may not occur in accordance with Management's expectations. In addition, there is uncertainty whether or not the Rubik Model Bank will be able to gain significant market share given the significant switching costs for the end-clients.

Lack of liquidity of Rubik Shares

The Rubik Shares listed on the ASX have limited liquidity, with the median monthly trading volume being approximately 1.8% of Rubik's total issued capital over the 12 months to 19 February 2017. Such low liquidity may represent an impediment for the Rubik Shareholders to sell their shares at fair market value.

The Proposed Transaction will remove exposure to funding risks

Rubik has reported declining free cash flows for the past few years due to its upfront investments in the Rubik Model Bank and other R&D expenses. As at 31 December 2016, current liabilities exceed current assets by \$1.8 million⁶. In addition, at the end of February 2017, the Company had total net debt of \$11.4 million comprising \$11.7 million from Westpac Banking Corporation, \$2.1 million loan from Viburnum and available cash balance of \$2.3 million. If the Scheme is not implemented, the Viburnum Loan is repayable by 31 March 2018.

Based on discussions with the Management of Rubik and a review of the financial information, it is our opinion that if the Scheme is not implemented, Rubik maybe required to undertake a capital raising which is expected to be dilutive for Rubik Shareholders.

⁴ This comprises approximately \$3.6 million on internal R&D costs, \$3.2 million on outsourced R&D costs and \$5.2 million on software licenses.

⁵ We understand that while this figure is based on a recent estimate, it may be subject to change.

⁶ However, we note that the current liabilities include \$2.9 million of income in advance which is not expected to result in future cash outflow.

In addition, the current gearing of the Company could cause the Company to be more vulnerable to risks arising from the completion of the development and roll-out of the Rubik Model Bank or the departure of one or more of its key clients.

No brokerage costs

Rubik Shareholders will be able to realise their investment in Rubik without incurring any brokerage or stamp duty costs.

Disadvantages

No participation in the future potential upside of Rubik

Rubik Shareholders accepting the Proposed Transaction will forgo the opportunity to participate in the future potential growth opportunities of the Company which are summarised below in a non-exhaustive manner:

- The development of the Rubik Model Bank is almost completed and Rubik is on the cusp of commencing the roll-out in the financial services industry. The system has been built as a SaaS⁷ platform to remove the costly need for banks to internally maintain or regularly upgrade the system which should enhance potential clients' take-up. The timing of the proposed acquisition by Temenos is somehow opportunistic as the underlying value of Rubik Shares could increase materially in conjunction with a successful and expedite roll-out of the Rubik Model Bank or significant market share gained by Provisio.
- In November 2016, the Company announced that it had signed the first client on the Rubik Model Bank (Goldfields Money⁸) which is a significant milestone and strong validation to the new product.
- One of the goals behind the FOFA reform has been targeted specifically at removing barriers to the affordability of financial advice and accordingly the concept of "scaled advice" was introduced. This change in the regulatory environment, whose effects are yet to be fully crystallised in the marketplace, may generate significant growth opportunities for Rubik's scaled advice software Provisio. As discussed in more details in sections 3 and 4, Rubik is one of the key players in the wealth management software solutions sector and it may be able to leverage-off its incumbent market positioning to gain significant market share in the scaled advice market. This growth opportunity could more than compensate the revenue reduction expected from Coin which is instead focussed on the provision of comprehensive advice. We note that as recently announced to the ASX, Yellow Brick Road has taken licence of Provisio for its network of franchisee owners and AMP has extended its contract for Coin and Provisio until 31 December 2018.
- Rubik intends to continue investing in its strategy of transitioning the Company from a seller of individual products to a provider of solution platforms. One of the strategic initiatives include the integration of its current debt collection software, CWX, with the current version of Temenos' T24 platform, a model bank implementation, with pre-configured services and best

⁷ Software as a service.

⁸ The name of the client was announced on 27 February 2017.

practice banking processes and workflows built in. This rebuilds the interface with better communication protocols to service additional CWX clients that use Temenos as a core banking system. This development will extend Rubik's off-the-shelf product offering to a substantial market that was only partially addressed by Rubik, and will decrease implementation costs for end clients.

Growth opportunities in the industry

There are significant growth opportunities in the FinTech industry which are expected to be driven by the following:

- The rising popularity of smartphones, tablets, and downloadable content has increased the demand for a wider range of software that can be adopted across multiple customer touchpoints and devices from incumbent financial institutions.
- There has been growing demand for clients or their financial advisors for self-sufficiency in administering financial products and portfolios without the need for assistance from customer service staff. This "self-directed" technology (usually developed by FinTech companies) allows market participants to reduce the administrative staff required to provide these services, thereby reducing costs.
- Authorised Deposit-taking Institutions ("ADIs") are becoming increasingly more inclined to abandon legacy systems for cloud-based platforms, many of which operate on subscription models.
- Automation in technology, through the use of robotics applications.

Other factors

Relationship with Temenos

As discussed in more details in section 4.2.4, Temenos provides to Rubik under a licence agreement the core banking platform which is entrenched into the Omni channel digital technology in development by Rubik underpinning the Rubik Model Bank. Whilst the exclusive licence agreement with Temenos provides significant protection to the Company and sets out the Company's rights under the licence agreement, the ability of Rubik to be acquired by another core banking system provider is somehow limited. However, we note that the core banking software provided under licence by Temenos is the only technology not-owned by Rubik and historically the Company has been successful in acquiring and/or developing market-leading software like Coin and Provisio.

Implications if the Scheme is not implemented

If the Scheme is not implemented, it would be the current Directors' intention to continue operating Rubik in line with its objectives. Rubik Shareholders who retain their shares would continue to share in any benefits and risks in relation to Rubik's ongoing business. Under these circumstances, Rubik may be required to undertake a dilutive capital raising in order to fund its working capital requirements and repay the existing external loans, including the Viburnum Loan.

Prospect of a superior offer

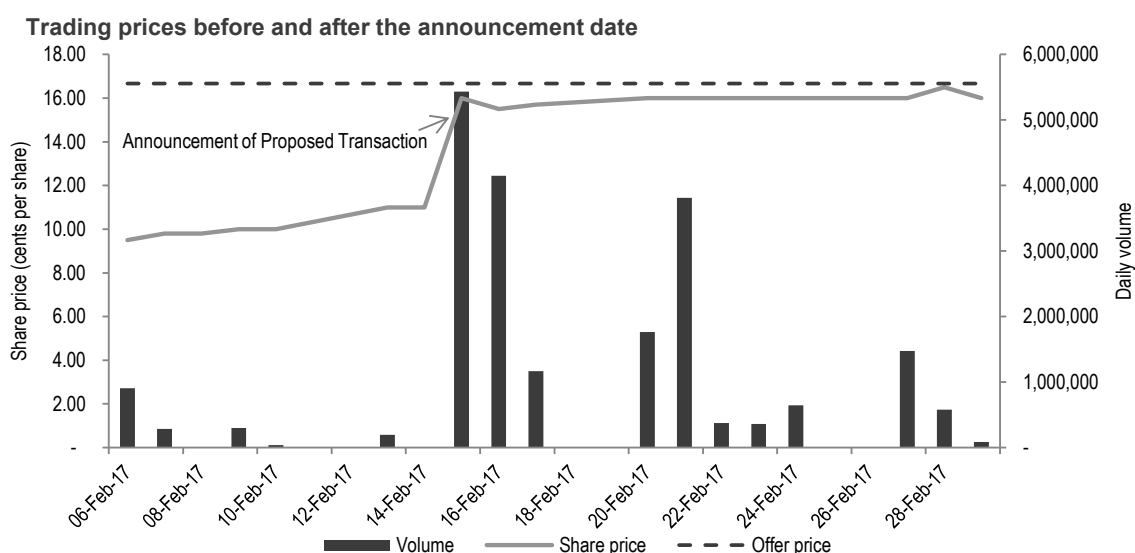
To date, no superior value proposition to the Proposed Transaction that is realisable by Rubik Shareholders has emerged. Whilst Rubik has agreed not to solicit any competing proposals or, subject to a fiduciary exception, to participate in discussions or negotiations in relation to any competing proposals, there are no material impediments to an alternative proposal being submitted by potential interested parties. The transaction process may act as a catalyst for potential interested parties and the additional information provided in the Scheme Booklet and Independent Expert's Report will facilitate the ability of interested parties to assess the merits of potential alternative transactions. If an alternative proposal on better terms were to emerge, it is expected that this would occur prior to the scheme meeting to approve the Proposed Transaction.

Share price in the absence of the Proposed Transaction

In the absence of the Proposed Transaction or an alternative transaction, all other things being equal, it is likely that Rubik Shares will trade at prices below the Offer Price and it is expected to fall from the existing level. In our opinion, the prospect of Rubik Shares trading above the Offer Price in the short term, based on the current market conditions and the ongoing performance of the Company, is limited in the absence of the Proposed Transaction or alternative transactions.

Share price after the announcement

As set out below, following the announcement of the Proposed Transaction, the trading prices of Rubik have traded substantially in line with the Offer Price which seems to indicate good support from investors for the Proposed Transaction, perceived low completion risk of the Proposed Transaction and limited expectations for a superior proposal.



Source: S&P Global and GTCF calculations

Break fee

In the event that a competing superior proposal emerges during the offer period or the Directors of the Company do not recommend the Scheme or withdraw their recommendation, Rubik may pay to

Temenos a break fee of \$700,000. The break fee may also become payable under other circumstances as set out in Section 2.11 of the Scheme Booklet.

Tax implications

Rubik Shareholders accepting the Scheme may crystallise a capital gains tax expense, however the taxation consequences for shareholders will vary according to their individual circumstances and will be impacted by various factors such as place of residence. Rubik Shareholders should read the overview of tax implications of the Proposed Transaction set out in Section 6 of the Scheme Booklet and also seek independent financial and tax advice on the implications of accepting the Proposed Transaction.

Independent Directors' recommendations and intentions

In the absence of a superior proposal and subject to the Independent Expert's opinion that the Proposed Transaction is and continues to be fair and reasonable to Rubik Shareholders:

- The Independent Directors of Rubik unanimously recommend that all Rubik Shareholders vote in favour of the resolutions to implement the Scheme.
- All Rubik Directors intend to vote the shares they hold or control in favour of the Scheme.

Support from the major shareholders

Rubik's three largest shareholders (Viburnum, LHC Capital Partners Pty Ltd and Regal Funds Management Pty Ltd), who currently represent approximately 44% of the shares on issue, have informed Rubik that they intend to vote in favour of the Scheme, in the absence of a superior proposal and subject to the Directors maintaining their unanimous recommendation to the Rubik Shareholders to vote in favour of the Scheme.

Reasonableness conclusion

Based on the qualitative factors identified above, it is our opinion that the Proposed Transaction is **REASONABLE** to the Rubik Shareholders.

Overall conclusion

After considering the abovementioned quantitative and qualitative factors, Grant Thornton Corporate Finance has concluded that the Proposed Transaction is **FAIR AND REASONABLE** and hence **IN THE BEST INTERESTS** of the Rubik Shareholders in the absence of a superior alternative proposal emerging.



Other matters

Grant Thornton Corporate Finance has prepared a Financial Services Guide in accordance with the Corporations Act. The Financial Services Guide is set out in the following section.

The decision of whether or not to accept the Proposed Transaction is a matter for each Rubik Shareholder to decide based on their own views of value of Rubik and expectations about future market conditions, Rubik's performance, risk profile and investment strategy. If Rubik Shareholders are in doubt about the action they should take in relation to the Proposed Transaction, they should seek their own professional advice.

Yours faithfully,

GRANT THORNTON CORPORATE FINANCE PTY LTD

ANDREA DE CIAN
Director

HARLEY MITCHELL
Authorised Representative

Financial Services Guide**7 March 2017****1 Grant Thornton Corporate Finance Pty Ltd**

Grant Thornton Corporate Finance carries on a business, and has a registered office, at Level 17, 383 Kent Street, Sydney NSW 2000. Grant Thornton Corporate Finance holds Australian Financial Services Licence No 247140 authorising it to provide financial product advice in relation to securities and superannuation funds to wholesale and retail clients.

Grant Thornton Corporate Finance has been engaged by Rubik to provide general financial product advice in the form of an Independent Expert's Report in relation to the Proposed Transaction. This report is included in Rubik's Scheme Booklet.

2 Financial Services Guide

This Financial Services Guide ("FSG") has been prepared in accordance with the Corporations Act, 2001 and provides important information to help retail clients make a decision as to their use of general financial product advice in a report, the services we offer, information about us, our dispute resolution process and how we are remunerated.

3 General financial product advice

In our report we provide general financial product advice. The advice in our report does not take into account your personal objectives, financial situation or needs.

Grant Thornton Corporate Finance does not accept instructions from retail clients. Grant Thornton Corporate Finance provides no financial services directly to retail clients and receives no remuneration from retail clients for financial services. Grant Thornton Corporate Finance does not provide any personal retail financial product advice directly to retail investors nor does it provide market-related advice directly to retail investors.

4 Remuneration

When providing the report, Grant Thornton Corporate Finance's client is the Company. Grant Thornton Corporate Finance receives its remuneration from the Company. In respect of the report, Grant Thornton Corporate Finance will receive from Rubik a fixed fee of \$65,000 plus GST, which is based on commercial rate plus reimbursement of out-of-pocket expenses for the preparation of the report. Our directors and employees providing financial services receive an annual salary, a performance bonus or profit share depending on their level of seniority.

Except for the fees referred to above, no related body corporate of Grant Thornton Corporate Finance, or any of the directors or employees of Grant Thornton Corporate Finance or any of those related bodies or any associate receives any other remuneration or other benefit attributable to the preparation of and provision of this report.

5 Independence

Grant Thornton Corporate Finance is required to be independent of Rubik and Temenos in order to provide this report. The guidelines for independence in the preparation of an independent expert's report are set out in Regulatory Guide 112 Independence of expert issued by the ASIC ("RG 112"). The following information in relation to the independence of Grant Thornton Corporate Finance is stated below.

"Grant Thornton Corporate Finance and its related entities do not have at the date of this report, and have not had within the previous two years, any shareholding in or other relationship with Rubik or Temenos (and associated entities) that could reasonably be regarded as capable of affecting its ability to provide an unbiased opinion in relation to the Proposed Transaction."

Grant Thornton Corporate Finance has no involvement with, or interest in the outcome of the transaction, other than the preparation of this report.

Grant Thornton Corporate Finance will receive a fee based on commercial rates for the preparation of this report. This fee is not contingent on the outcome of the transaction. Grant Thornton Corporate Finance's out of pocket expenses in relation to the preparation of the report will be reimbursed. Grant Thornton Corporate Finance will receive no other benefit for the preparation of this report.

Grant Thornton Corporate Finance considers itself to be independent in terms of Regulatory Guide 112 "Independence of expert" issued by the ASIC."

6 Complaints process

Grant Thornton Corporate Finance has an internal complaint handling mechanism and is a member of the Financial Ombudsman Service (membership no. 11800). All complaints must be in writing and addressed to the Chief Executive Officer at Grant Thornton Corporate Finance. We will endeavour to resolve all complaints within 30 days of receiving the complaint. If the complaint has not been satisfactorily dealt with, the complaint can be referred to the Financial Ombudsman Service who can be contacted at:

GPO Box 3
Melbourne, VIC 3001
Telephone: 1800 367 287

Grant Thornton Corporate Finance is only responsible for this report and FSG. Complaints or questions about the Target's Statement should not be directed to Grant Thornton Corporate Finance. Grant Thornton Corporate Finance will not respond in any way that might involve any provision of financial product advice to any retail investor.

7 Compensation arrangements

Grant Thornton Corporate Finance has professional indemnity insurance cover under its professional indemnity insurance policy. This policy meets the compensation arrangement requirements of section 912B of the Corporations Act 2001.

Contents

	Page
1 Outline of the Scheme	14
2 Purpose and scope of the report	16
3 Industry sector profile	19
4 Profile of Rubik	23
5 Valuation methodologies	35
6 Valuation assessment of Rubik	37
7 Source of information, disclaimer and consents	50
Appendix A – Valuation methodology	52
Appendix B – Trading comparable company descriptions	54
Appendix C – Glossary	57

1 Outline of the Scheme

1.1 Key terms of the Scheme

The key terms of the Scheme pursuant to the SID are outlined below:

- *Consideration* – Rubik Shareholders will receive a cash consideration of 16.67 cents per share valuing Rubik at approximately \$68 million on a fully diluted basis.
- *Loan Funded Shares (18.9 million)* – Loan Funded Shares represent ordinary shares issued to C-level executives, including certain loan and escrow arrangements. These shares will fully vest if the Scheme becomes effective and the holders will receive a net consideration of 10 cents per share.
- *LTIP Shares (7.5 million)* – they represent ordinary shares held by the Rubik ESOP Trust for the benefit of certain senior management of the Company. They will vest in a different number of ordinary shares based on the tenure of the relevant executive. Based on the terms of the SID, the LTIP Shares will vest on a pro rata basis based on the employees' tenure up to the effective date of the Scheme.
- *Gift Plan Shares (0.2 million)* – they represent ordinary shares held by the Rubik ESOP Trust for the benefit of certain staff of Rubik. These shares will fully vest on the effective date of the Scheme.
- *Treasury Shares (5.2 million)* – they represent ordinary shares held by the Rubik ESOP Trust and not allocated to any employees or senior management.
- *Rubik break fee* – a break fee of \$700,000 will be payable to Temenos by Rubik under certain circumstances, including:
 - Rubik is in breach of any material clause of the SID; or
 - The Directors of Rubik recommend an alternative proposal; or
 - The Directors of Rubik publicly withdraw or adversely change their recommendation of the Scheme; or
 - Other circumstances as documented in section 11.2 of the SID.
- *Temenos matching right* – in the event that an alternative proposal arises, Rubik must provide Temenos full written details of the alternative proposal in writing and 3 business days for Temenos to submit an irrevocable written offer of a counter proposal.
- No shop, and no talk and no diligence provisions typical of transactions of this type.

Refer to the SID for further details.

1.2 Conditions of the Proposed Transaction

The Proposed Transaction is subject to the following conditions precedents:

- Approval of the Scheme by the Court in accordance with Section 411 of the Corporations Act.
- Approval of the resolution to effect the Scheme by the required majorities of Rubik Shareholders.
- Other conditions precedents customary for a transaction of this type including material adverse changes and prescribed occurrences (refer to section 2.3 of the Scheme Booklet for details).

1.3 Viburnum Loan

Rubik has, with the approval of its independent directors, entered into a \$5 million⁹ short-term bridging loan, on arms' length terms, with Viburnum. The purpose of the Loan is to ensure the timely delivery of a number of recently signed customer contracts. The term of the Viburnum Loan is from 14 February 2017 until the earlier of:

- 5 business days following the completion by Rubik of a capital raising transaction for at least \$5 million.
- 5 business days following the occurrence of a change of a control event (which includes a court-approved scheme of arrangement).
- 31 March 2018.

⁹ As at the end of February 2017, only \$2.1 million had been drawn down.

2 Purpose and scope of the report

2.1 Purpose

Section 411 of the Corporations Act

Section 411 of the Corporations Act, 2001 regulates schemes of arrangement between companies and their members. Part 3 of Schedule 8 of the Corporations Regulations 2001 prescribes information to be sent to shareholders and creditors in relation to members' and creditors' schemes of arrangement pursuant to Section 411 of the Corporations Act.

Part 3 of Schedule 8 (s640) of the Corporations Regulations requires an independent expert's report in relation to a scheme to be prepared when a party to that scheme has a shareholding greater than 30% in the company subject to the scheme, or where any of its directors are also directors of the company subject to the scheme. In those circumstances, the independent expert's report must state whether a scheme is in the best interests of shareholders and state reasons for that opinion. Even where there is no requirements for an independent expert's report, documentation for a scheme of arrangement typically includes an independent expert's report.

As at the date of the report, Temenos neither has an interest in Rubik in excess of 30% nor has common directors. Accordingly, there is no legal requirement for an independent expert's report to be prepared in respect of the Scheme. Notwithstanding this, the Directors of Rubik have requested Grant Thornton Corporate Finance to prepare an independent expert's report to express an opinion as to whether the Scheme is in the best interests of Rubik Shareholders.

2.2 Basis of assessment

In determining whether the Scheme is in the best interests of the Company's members, Grant Thornton Corporate Finance has had regard to relevant Regulatory Guides issued by the ASIC, including RG111, Regulatory Guide 60 Scheme of arrangement ("RG60") and Regulatory Guide 112 Independence of experts ("RG112"). The independent expert's report will also include other information and disclosures as required by ASIC. We note that neither the Corporations Act nor the Corporations Regulations define the term "in the best interests of members".

RG 111 establishes certain guidelines in respect of independent expert's reports prepared for the purposes of the Corporations Act. RG111 is framed largely in relation to reports prepared pursuant to Section 640 of the Corporations Act and comments on the meaning of "fair and reasonable" in the context of a takeover offer. RG111 requires an independent expert prepared for a change of control transaction implemented by way of scheme of arrangement to undertake an analysis substantially the same as for a takeover bid. However, the opinion of the expert should be whether or not the proposed scheme is "in the best interests of the members of the company". If an expert were to conclude that a proposal was "fair and reasonable" if it was in the form of a takeover bid, it will also conclude that the proposed scheme is "in the best interests of the members of the company".

Pursuant to RG111, an offer is "fair" if the value of the offer price or consideration is equal to or greater than the value of the securities that are subject of the offer. A comparison must be made assuming 100% ownership of the target company.

RG111 considers an offer to be “reasonable” if it is fair. An offer may also be reasonable if, despite not being “fair” but after considering other significant factors, shareholders should accept the offer in the absence of any higher bid before the close of the offer.

In our opinion, the most appropriate way to evaluate the fairness of the Scheme is to compare the fair market value of Rubik before the Proposed Transaction on a control basis with the Offer Price.

In considering whether the Scheme is in the best interests of Rubik Shareholders, we have considered a number of factors, including:

- Whether the Scheme is fair.
- The implications to the Rubik Shareholders if the Scheme is not approved.
- Other likely advantages and disadvantages associated with the Scheme.
- Other costs and risks associated with the Scheme that could potentially affect the Rubik Shareholders.

2.3 Independence

Prior to accepting this engagement, Grant Thornton Corporate Finance considered its independence with respect to the Proposed Transaction with reference to the RG 112.

Grant Thornton Corporate Finance has no involvement with, or interest in, the outcome of the approval of the Proposed Transaction other than that of an independent expert. Grant Thornton Corporate Finance is entitled to receive a fee based on commercial rates and including reimbursement of out-of-pocket expenses for the preparation of this report.

Except for these fees, Grant Thornton Corporate Finance will not be entitled to any other pecuniary or other benefit, whether direct or indirect, in connection with the issuing of this report. The payment of this fee is in no way contingent upon the success or failure of the Proposed Transaction.

2.4 Consent and other matters

Our report is to be read in conjunction with the Scheme Booklet dated on or around 6 March 2017 in which this report is included, and is prepared for the exclusive purpose of assisting the Rubik Shareholders in their consideration of the Proposed Transaction. This report should not be used for any other purpose.

Grant Thornton Corporate Finance consents to the issue of this report in its form and context and consents to its inclusion in the Scheme Booklet.

This report constitutes general financial product advice only and in undertaking our assessment, we have considered the likely impact of the Proposed Transaction to the Rubik Shareholders as a whole. We have not considered the potential impact of the Proposed Transaction on individual shareholders. Individual shareholders have different financial circumstances and it is neither practicable nor possible to consider the implications of the Proposed Transaction on individual shareholders.

The decision of whether or not to accept the Proposed Transaction is a matter for each Rubik Shareholder based on their own views of the value of Rubik and expectations about future market conditions, Rubik's performance, their individual risk profile and investment strategy. If shareholders are in doubt about the action they should take in relation to the Proposed Transaction, they should seek their own professional advice.

2.5 Compliance with APES 225 Valuation Services

This report has been prepared in accordance with the requirements of the professional standard APES 225 Valuation Services ("APES 225") as issued by the Accounting Professional & Ethical Standards Board. In accordance with the requirements of APES 225, we advise that this assignment is a Valuation Engagement as defined by that standard as follows:

"An Engagement or Assignment to perform a Valuation and provide a Valuation Report where the Member is free to employ the Valuation Approaches, Valuation Methods, and Valuation Procedures that a reasonable and informed third party would perform taking into consideration all the specific facts and circumstances of the Engagement or Assignment available to the Member at that time."

3 Industry sector profile

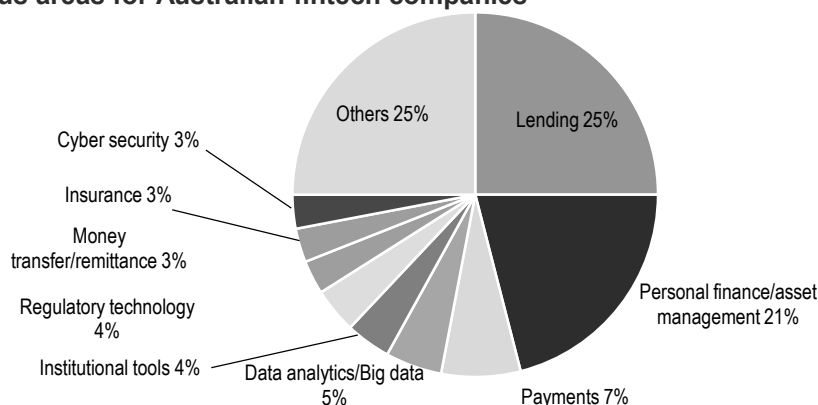
Rubik operates in the FinTech industry providing banking, wealth management and mortgage lending software solutions for ADIs and other financial services companies in Australia (95% of revenue), Asia and the Middle East. Accordingly, we have provided below a brief overview of the Australian FinTech industry as well as the Australian banking and financial services (“FS”) industry.

3.1 Australian FinTech industry

The FinTech industry comprises high-growth organisations combining innovative business models and technology to enable, enhance and disrupt the FS industry. These organisations are not limited to start-up companies or new entrants, but include scaled-up and mature companies, as well as non-FS companies like telecommunication providers and e-retailers.

Australia is currently the largest FinTech market in Asia for small-business lending. According to the EY FinTech Australian census, there are currently over 350 FinTech companies in Australia. These companies undertake various activities as set out below:

Focus areas for Australian fintech companies



Source: EY FinTech Australia Census November 2016

The revenues for the FinTech industry are driven by the following factors:

- Trend to outsource software solutions:** It is becoming increasingly common for wealth managers to use licenced software developed by specialist software companies. The licensed software can either be installed on the client’s technology infrastructure or hosted on the third party’s cloud infrastructure and accessed by the client when needed. This hosted delivery model is either delivered as a software-as-a-service (“SaaS”) model or as a managed-software-as-a-service (“MSaaS”) model.
- Access to technology:** The rising popularity of smartphones, tablets, and downloadable content has increased the demand for a wider range of software. With the aim of improving customer experience and expanding customer base within the competitive FS industry, there is a growing demand for FinTech software that can be adopted across multiple customer touchpoints and devices from incumbent financial institutions. The level of engagement of ADIs with the FinTech industry is expected to deepen as the industry moves towards digitisation. Clients now require capability to access their information in real time and through multiple digital platforms

(like smartphones, tablets and personal computers). This has become an important way to improve customer attrition rates.

- *Customer adoption:* Customer adoption of technological innovations is the process consumers use to determine whether or not to adopt an innovation. This process is influenced by personality traits, socioeconomic factors, characteristics of the new product, relative advantage and complexity. When evaluating whether to adopt an innovation, new functionality and interface are often compared to existing functionality and interface. Hence, innovative and user friendly software and digital platforms attract more customers.
- *Ongoing research and development:* Given the intense competition in the industry, each participant incurs significant expenditure on upgrading their products and developing newer software which can cater to the needs of clients. Presently, there is a trend towards adoption of self-directed software or robo-advisors.

3.2 Customers owned financial institutions (“COFI”)

Rubik’s target market for the rollout of the Rubik Model Bank is credit unions, building societies, non-deposit-taking specialist finance companies and other authorised deposit-taking institutions which are part of the Australian banking industry.

Organisations which operate in a mutual corporate structure in accordance with ASIC RG 147, such as mutual banks, credit unions and building societies, are commonly known as ‘Mutuals’ or ‘Customer Owned Financial Institutions’. They are regulated under the Banking Act and they are subject to the same high standard of prudential regulation as banks.

Based on the latest release by the Customer Owned Banking Association¹⁰, there are 58 credit unions, 18 mutual banks, 4 building societies and 2 other mutual ADIs in Australia which hold in excess of \$100 billion assets and serving more than 4 million customers. The highest population penetration of COFIs is in NSW (27%) and SA (26%).

Over the last few years, the COFI industry has experienced significant consolidation among its members mainly due to the following:

- Technology driven disruption which represents a significant growth opportunity for FinTech companies given that the COFIs will be required to invest heavily in technology to adapt to the continuously changing environment and customers’ habits and requirements.
- Inefficient operating models and high cost structures which tend to be usually streamlined in conjunction with a merger.
- Change in customers’ behaviours and expectations driven by broad adoption of smartphones and tablets which impact the way customers want to interact with their banks or COFIs.

¹⁰ Customer owned banking – Credit Unions, Building Societies & Mutual Banks – Key Fact Sheet, December 2016 – January 2017

3.3 Recent changes in the relevant regulatory environment

The most recent and significant changes in the regulatory framework affecting the FinTech industry include the introduction of the refundable tax credit of 45% on R&D activities for companies that generate less than \$20 million in revenue, and 40% non-refundable standard R&D tax credit for other companies. The introduction of this regulation is expected to significantly alleviate costs as most FinTech companies in Australia conduct their own development activities, which in turn encourages innovation and employment generation.

While FinTech industry participants per se are subject to general legal requirements, their business revolves around regulations set by corporate, exchange control and monetary authorities for their clients in the banking, wealth management and mortgage lending industries. In Australia, the regulation and supervision of the banking and financial system is assigned to the Council of Financial Regulators, comprising the Australian Prudential Regulation Authority (“APRA”), ASIC, the Reserve Bank of Australia and the Australian Treasury.

The onerous and continuously changing regulatory environment for ADIs brings significant growth opportunities for the Fintech companies. In relation to this issue, we note the following:

- Presently, the big four banks hold a significant share of the residential mortgage, consumer and business lending markets, reflecting the financial system’s heavy dependence on the major banks. The Murray inquiry released in December 2014 suggested increasing capital requirements as well as the risk weighting attributed to mortgages for the larger banks. In July 2015, APRA raised capital requirements on residential mortgage exposures for the major banks, and those using the internal ratings-based approach. More recommendations of the Murray report are expected to be implemented in a phased manner over the next five years in order to ensure the ability of the major banks to withstand losses. While these measures are expected to affect the capital adequacy ratios of banks and increase costs, they are likely to have a positive impact on the financial system and bring significant growth opportunities for the FinTech sector.
- The FOFA legislation was introduced in July 2013 in response to loss of wealth for many investors due to lower quality of financial advice. The legislation aims to eliminate conflicts of interest and build confidence in the industry. Some of the key measures of the legislation include abolition of volume-based commission, a compulsory opt-in policy to meet queries on trailing commissions, and a fiduciary duty placing client interests before that of the advisors’ own interest. A key objective of the FOFA reforms was to facilitate access for retail clients to financial product advice, including 'scaled' advice which is personal advice but limited in scope

3.4 Industry outlook

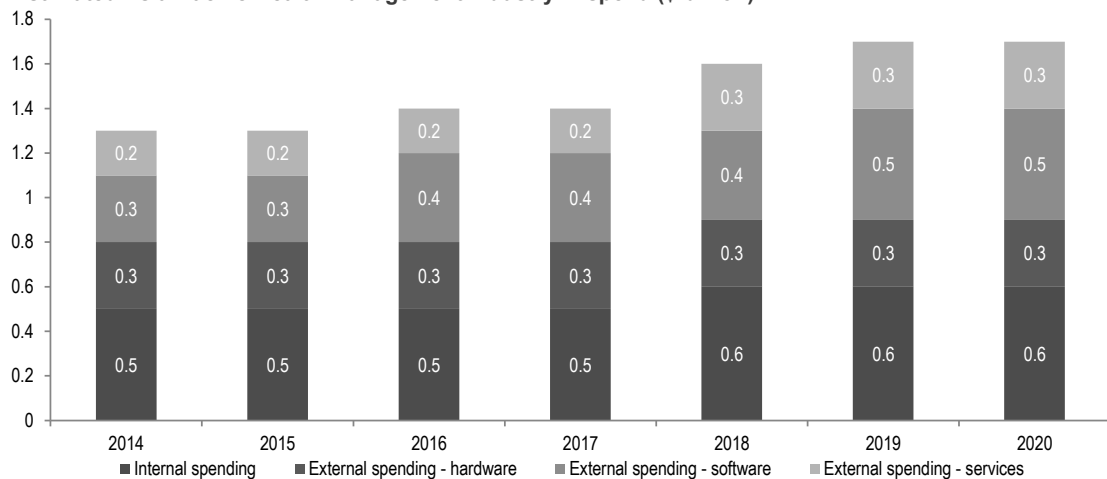
Key growth opportunities in the FinTech industry are expected to be driven by the following:

- The level of engagement of ADIs with the FinTech industry is expected to deepen as the industry moves towards digitisation.
- There has been growing demand for clients or their financial advisors for self-sufficiency in administering financial products and portfolios without the need for assistance from customer service staff. This “self-directed” technology (usually developed by FinTech companies) allows

market participants to reduce the administrative staff required to provide these services, thereby reducing costs.

- With a view to reduce the time taken in upgrading technology (based on regulatory and customer requirements), ADIs may be willing to abandon legacy systems for cloud-based platforms, many of which operate on subscription models. ADIs are also expected to keep improving their wealth management business and operating models. Assets managed by robo-advisors are expected to grow at a fast pace, as banks, insurance companies and traditional wealth managers welcome newer technology.
- Automation in technology, through the use of robotics applications including client screening and background checks, automated trade capture, transaction monitoring and reconciliation, client service reports and payables/ receivables.
- The global initiative to move to a faster payment system is expected to drive banks to initiate a collaborative system. This would involve increased agreements/ partnerships between banks and financial technology companies.
- With clients in the financial services industry aiming to modernise core systems in order to release excess capacity, there is a trend toward outsourcing the ongoing software development. Celent¹¹ estimates that the Asian wealth management industry will witness growth in IT spend at 9.7% p.a. (for external software spend) and 7.4% p.a. (for external services spend).

Estimated Asia-Pacific wealth management industry IT spend (\$ billion)



Source: Celent "Wealth management and life insurance overview", 11 April 2016

¹¹ Celent is a research and consulting firm focused on the application of information technology in the global financial service industry.

4 Profile of Rubik

4.1 Introduction

Rubik is an Australian listed public company primarily involved in the provision of technology and software solutions to the financial services organisations in Australia, the Middle East, and Asia.

Rubik solutions are used by over 23,000 end-users and 930 direct clients in 12 countries, via an installed basis or SaaS.

4.2 Business overview

4.2.1 Company History

Rubik commenced its operation as an ASX-listed financial services information technology provider in November 2006 under the former name of Ausron Limited. The Company was renamed after the acquisition of Swift Call¹² in November 2007.

Rubik has undertaken on-going strategic initiatives to right-size the business, improve operational efficiency and reduce costs over the last few years. Notable historical initiatives undertaken are summarised below.

- *Acquisitions of FinTech software businesses:* Since 2007, Rubik has focused its strategy on the acquisition of companies within the FinTech industry in Australia in order to increase the Company's product portfolio and enter into new markets in the FinTech sector. In total, Rubik has undertaken nine acquisitions of FinTech businesses.
- *Long term exclusive partnership with Temenos:* In September 2008, Temenos and Rubik signed a long term agreement for Temenos T24 Banking software ("T24") which allowed Rubik to have an exclusivity right for hosting T24 in Australia and New Zealand. This agreement provided Rubik with the support of a global provider of banking software system. Rubik agreed to an up-front payment for the license, as well as ongoing maintenance payments for 12 years. Other solutions developed by Rubik were also integrated into Temenos' service offerings (for example, the Digital Platform used in the Banking division).

In November 2016, the partnership agreement was extended when Rubik undertook to upgrade its former channel technologies with a view to focus on user experience. Using Temenos' user experience platform, 'edgeConnect', Rubik can provide customers with access to the client's¹³ products/ services through a range of media. In July 2016, Rubik integrated its CWX solution with Temenos' core banking product, T24, on a banking project undertaken in Pakistan.

- *Partnerships with other key players in the industry to diversify its product offering:* Rubik has partnered with multiple businesses including its client base to broaden its service and product offering, and to increase its customer base while strengthening client relationships.
- *Geographic expansion to gain access to new markets:* Rubik has operations in the Middle East and Asia. We note that five out of the seven top banks in Pakistan use Rubik's products.

¹² Swift Call was a provider of phone banking, internet banking, mobile banking, and interactive voice response technology for seventeen years, which services over 200 organisations including over 70% of Tiers 2 and 3 ADIs.

¹³ These include mutual banks, regional banks and credit unions.

- *Establishment of an off-shore resource centre in Asia:* The acquisition of Infinitive and AMEE in 2014 respectively, provided Rubik with access to off-shore resources in the Philippines and Thailand. However, in FY15, these resources were closed when Rubik established an off-shore development and testing centre in the Philippines via a consolidation of its corporate structure and data centre infrastructure.
- *Restructuring program:* Rubik had been facing high integration costs in relation to its acquisitions. In FY15, the Company initiated a restructuring program in order to realise the integration synergies and move to a more efficient operational structure. The Company spent \$3.3 million and \$1.9 million in FY15 and FY16 respectively mainly towards redundancy costs and off-shore development and testing capability creation.
- *Investments in growth strategies and R&D program:* Rubik has undertaken significant investment in R&D in recent years in order to further improve and upgrade existing products. Rubik's R&D program is currently focused on the following:
 - The Rubik Model Bank, a core banking platform developed on the back of 'Temenos' T24 software (refer Section 4.2.4 for details).
 - Rubik intends to continue investing in its strategy of transitioning the Company from a seller of individual products to a provider of solution platforms. One of the strategic initiatives include the integration of its current debt collection software, CWX, with the current version of Temenos' T24 platform, a model bank implementation, with pre-configured services and best practice banking processes and workflows built in. This rebuilds the interface with better communication protocols to service additional CWX clients that use Temenos as a core banking system. This development will extend Rubik's off-the-shelf product offering to a substantial market that was only partially addressed by Rubik, and will decrease implementation costs for end clients. Furthermore, Rubik plans to develop CWX-M mobile application for field collectors and managers for the collection of debt. Finally, Rubik will also look to enhance its digital banking platform, financial services platform, and improve its infrastructure and development capability.

4.2.2 Business operations

Rubik operated as a single business unit in the year ended 30 June 2016 and offered three product suites, being Wealth, Banking, and Mortgages. An overview of these product suites is set out below.

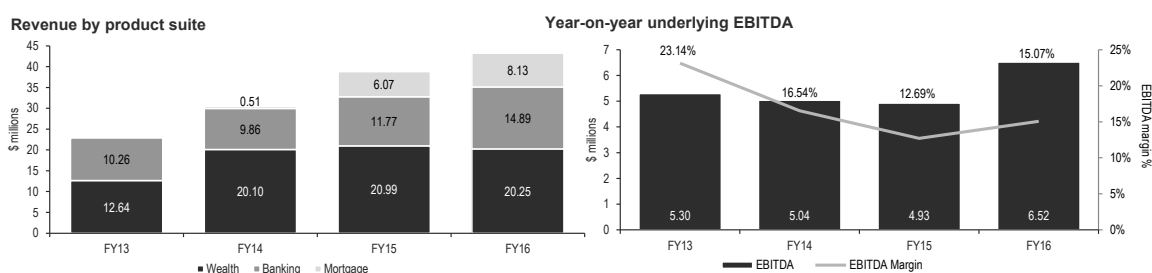
- The Banking product suite provides core banking software and a range of related channel software comprising Internet banking and interactive voice response, as well as delivers collection software that helps institutions to collect their overdue debtors. Products include Rubik Model Bank, CWX, Digital Platform, Phone Banking and DriveOnline. Key clients of this division include Bank of Alfalah and MyState.
- The Wealth product suite involves the development and offer of advice software and services, including customer relationship management and commission tracking software to the financial planning industry. Products include COIN, Provisio, as well as Rubik Revenue and Rubik Dealer. The key clients of Rubik include Westpac, ANZ, AMP and Yellow Brick Road.

- The Mortgages product suite develops and provides software solutions to the mortgage broking industry. These solutions include frontend software, CRM applications, as well as a mortgage broking software. The key client of Rubik is Vow Financial.

We note that in FY17, Management intends to transform Rubik's products into integrated solution platforms. Moving forward the operating segment structure will be focussed on the areas of Financial Services, Banking, and Collections & International.

4.2.3 Historical performance

The following figures summarises the year-on-year revenue and EBITDA and EBITDA margin performance and the contribution of each business segment to total revenue from FY13 to FY16.



Source: Rubik annual report 2014-2016

In relation to the above graph, we note the following:

- Rubik has experienced revenue growth of more than 10% for four consecutive years primarily due to external acquisitions. Over 90% of the sales are generated in Australia.
- Overall revenue generated in FY16 totalled \$43.3 million, representing an 11.4% increase from \$38.8 million in FY15. The Wealth product suite contributed 47% of total revenue, followed by the Banking product suite at 34% and the Mortgage product suite at 19%.
- Wealth revenue slightly decreased by 3.6% from \$21 million in FY15 to \$20.2 million in FY16 as a consequence of the transition of COIN from a license software model to a SaaS model by a major financial institution.

As mentioned earlier, COIN operates in a very competitive market with large institutional clients and 3-4 major competitors. Due to the concentrated nature of the market, a small number of clients generate a material proportion of COIN's revenue. CBA is currently one of COIN's major clients, however we note that in March 2015, IRESS announced that it has been selected by CBA as the advice technology partner for the wealth management advice business with the rollout to commence in 2016. There remains uncertainty on the potential impact that this may have on Coin which is currently still utilised by CBA financial planners.

- Banking revenue increased by 26.5% from \$11.8 million in FY15 to \$14.9 million in FY16. This is primarily due to significant expansion of the CWX product offering, including offerings to off-shore and non-financial clients, and increased service fees on CWX and DriveOnline banking products.

- Mortgage revenue increased by 33.9% from \$6.1 million in FY15 to \$8.1 million in FY16 as a result of an increase in service fees on anti-money laundering projects related to Rubik's eLodge+ product. The increase in revenue from FY14 to FY15 was attributable to the first full year of ownership of the Mortgage segment by Rubik, created through the acquisitions of Stargate Information Systems Pty Ltd ("Stargate") and Infinitive Pty Ltd in June 2014.
- Underlying EBITDA increased by approximately 32.3% from \$4.9 million in FY15 to \$6.5 million in FY16 driven by the improved revenue and increased project work across all product groups, combined with cost containment and the benefits realised from the completion of the restructuring program.

4.2.4 Rubik Model Bank project and relationship with Temenos

On 30 September 2016, Rubik announced the launch of the Rubik Model Bank which is a hosted, integrated, modular banking system developed based on the T24 platform of Temenos. The Rubik Model Bank provides core functions of retailing banking, such as internet banking, mobile banking, mobile application, card management system, origination platform, customer relationship management system, as well as collections and recoveries capabilities.

Based on our discussions with Management, the key features of the Rubik Model Bank are set out below:

- The platform broadly consists of three parts: a client-facing utility, an underlying software engine (i.e. T24) and a software interface between the two. Temenos owns the underlying software engine and the interface.
- Rubik pays licence fees to Temenos for the right to use the underlying software engine. Rubik has recently announced that it had executed an extension of its long term exclusive partnership with Temenos.
- The cost of development of the interface and the client-facing utility has been shared between Rubik and Temenos.
- The system has been built as a SaaS platform which removes the costly need for banks to internally maintain or regularly upgrade the system. In November 2016, the Company announced that it had signed the first client on the Rubik Model Bank.

Since FY16, the Company has incurred a total cost of approximately \$12 million to develop the Rubik Model Bank, including c. \$5.2 million for software licences paid to Temenos. The Company estimates that by the end of FY17, an additional \$5.5 million would need to be spent on the development¹⁴.

¹⁴ We understand that while this figure is based on a recent estimate, it may be subject to change.

4.3 Financial information

4.3.1 Financial performance

The statement of profit or loss for the year ended 30 June 2015 and 30 June 2016 (“FY15” and “FY16” respectively) and the 6 months ended 31 December 2016 (“HY Dec 16”) are set out in the following table.

Consolidated statements of profit and loss \$'000	FY15 Audited	FY16 Audited	HY Dec 16 Reviewed
Recurring revenues	31,547	31,450	NA
Non-recurring service revenues	7,128	10,851	NA
Non-recurring license revenues	156	960	NA
Total operating revenues	38,831	43,261	19,445
Underlying EBITDA¹	4,929	6,520	2,309
Amortisation of intangibles ²	(7,248)	(7,075)	(3,593)
Depreciation of property, plant and equipment ²	(789)	(496)	(305)
Share-based payment expense ²	(134)	(500)	(302)
Asset write-off ²	(89)	-	-
EBIT before significant items	(3,331)	(1,551)	(1,891)
FX gain/(loss)	130	(18)	(37)
Net interest expense	(373)	(510)	(302)
Interest on unwinding of discount ²	(1,450)	(528)	-
Profit before tax and significant item¹	(5,024)	(2,607)	(2,230)
Significant items¹			
Impairment of Mortgage CGU ²	-	(5,300)	-
Improvement in earn out provisions ²	821	5,808	-
Transaction and integration costs	(1,379)	-	-
Restructuring costs	(3,296)	(1,938)	-
Onerous contract provision ²	(255)	-	-
Impairment of Banking CGU ²	(8,472)	-	-
Profit before tax	(17,605)	(4,037)	(2,230)
Income tax benefit - current year ²	3,529	1,383	531
Net profit after tax as reported	(14,076)	(2,654)	(1,699)

Source: Rubik annual reports FY15 and FY16 and half-year report FY17

Note (1): Non-AIFRS measure

Note (2): Non-cash item

We note the following in relation to the income statements of Rubik.

- Recurring revenue contributed 73% of revenues in FY16, compared to 81% in FY15. The downward movement in revenue from FY15 to FY16 is driven by the increased sales in CWX which is sold for a non-recurring upfront license fee, with a recurring maintenance trail. In addition, the Company has generated more non-recurring revenues via the expansion of its project related service offerings.
- Revenue generated from the Wealth product suite decreased marginally due to the transition from a COIN licensed software solution to SaaS by a major financial institution. This downward effect was offset by the increase in revenue generated from both the Banking and Mortgage product suites.

- The impact and movement of significant items on profit before tax is set out below:
 - The impairment of \$5.3 million of the Mortgages CGU was recognised as expected future cash flows from this business unit were insufficient to support the carrying value of its intangible and other assets.
 - The movement of \$5.8 million in earn out provision represents the net movement in the contingent consideration for the acquisition of Stargate¹⁵. The balance of earn out provision has decreased as a result of weaker than forecasted results in the acquired business in FY16, which have also led to the impairment of the Mortgages CGU. \$2 million was reassessed as the earn out amount due in early 2017.
 - Transaction and integration costs were directly related to acquisitions undertaken in FY15 for external advisor fees and an allocation of internal staff time to assist with the transition and integration of the acquired businesses.
 - Restructuring costs were in relation to the restructuring program for the operations of the Company. They are primarily redundancy costs, data centre consolidation and amounts incurred in creating the Off-Shore Development Centre (“OSDC”).
- Rubik released its half-year results for FY17 on 27 February 2017. In this regard, we note the following:
 - Total revenue and underlying EBITDA have reduced by 7% and 23% respectively from the revenue for the 6 months ended 31 December 2015.
 - The Wealth division’s revenue reduced by 7% mainly due to reduced licences from COIN. The Banking division’s revenue reduced by 11.6% due to reduced service fees.
 - The Banking division has been incurring development expenditure on building and launching Rubik Model Bank, while the Wealth division is focussing on building a new scaled advice solution. \$5.1 million was invested in Rubik Model Bank, including licence fees of \$1.4 million payable to Temenos. \$1.1 million was invested in other existing products, to build additional features in the Wealth and Mortgage divisions’ products to transition them into robo-advice and scaled advice software and moving these products into a consolidated financial services platform.

¹⁵ An upfront consideration of \$19,375,000 was made for the acquisition and an earn-out was calculated as a multiple of contributed EBITDA in FY15 and FY16, adjusted for certain items as per the Sale and Purchase Agreement.

4.3.2 Financial position

The consolidated statements of financial position of Rubik as at 30 June 2015, 30 June 2016 and 31 December 2016 are set out in the table below.

Consolidated statements of financial position \$'000	30-Jun-15 Audited	30-Jun-16 Audited	31-Dec-16 Reviewed
Current assets			
Cash and cash equivalents	4,319	5,653	3,638
Trade and other receivables	5,411	8,427	6,988
Other	619	912	1,040
Total current assets	10,349	14,992	11,666
Other financial assets	151	151	151
Property, plant and equipment	596	2,992	2,776
Intangibles	55,030	50,734	52,940
Deferred tax	13,854	15,211	15,731
Total non-current assets	69,631	69,088	71,598
Total assets	79,980	84,080	83,264
Current liabilities			
Trade and other payables	6,081	7,838	5,866
Borrowings	-	-	1,388
Employee benefits	1,818	2,580	1,335
Provisions	1,949	2,335	2,000
Revenue received in advance	2,316	2,705	2,870
Total current liabilities	12,164	15,458	13,459
Non-current liabilities			
Trade and other payables	-	-	154
Borrowings	4,421	7,760	10,260
Employee benefits	179	105	107
Provisions	7,570	2,267	2,256
Total non-current liabilities	12,170	10,132	12,777
Total liabilities	24,334	25,590	26,236
Net assets	55,646	58,490	57,028
Equity			
Issued capital	67,691	72,672	72,607
Reserves	3,732	4,249	4,514
Accumulated losses	(15,777)	(18,431)	(20,093)
Total equity	55,646	58,490	57,028

Source: Rubik annual reports FY15 and FY16 and half-year report FY17

We note the following in relation to the balance sheet of Rubik:

- Intangible assets balance decreased due to the recognition of an impairment cost of \$5.3 million for Mortgages CGU.
- Provisions decreased as there was a reduction of \$5.8 million in forecast earn out liability as mentioned in section 4.3.1.



- In FY16, Rubik renegotiated its debt facilities with Westpac which were extended to January 2019, on an interest only basis. The table below outlines the breakdown of the borrowings arrangement of Rubik.

Funding \$'000	30-Jun-15 Audited	30-Jun-16 Audited	31-Dec-16 Reviewed
Cash	4,319	5,653	3,638
Borrowings			
Commercial bills - non-current	(4,421)	(7,760)	(11,648)
Weighted average interest rate	5.6%	5.5%	NA
Net bank debt	(102)	(2,107)	(8,010)

Source: Rubik's annual report FY16 and half-year report FY17

At the end of February 2017, Rubik had a total net debt of \$11.4 million as outlined below. We note that the increase in the net debt was mainly driven by the payment of the earn-out consideration of \$2 million for the Stargate acquisition which was due at the end of February.

Rubik - Net debt position as at 28 February 2017	\$'000
Cash at bank	2,300
Borrowings from bank	(11,648)
Viburnum Loan	(2,100)
Total cash position (net debt)	(11,448)

Source: Rubik's management

- The balance of issued capital increased by \$4.98 million as a 1-for-7 non-renounceable entitlement offer at \$0.10 per share to existing eligible shareholders was completed in May 2016, raising approximately \$5 million before cost.
- The Company has a \$1.8¹⁶ million franking credit balance for subsequent financial years.
- As at 31 December 2016, Rubik has \$9.0 million of net carried forward tax losses.

4.3.3 Cash flow available for distribution

Set out below is the free cash flow of Rubik.

Free cash flow \$'000	FY15	FY16
Underlying EBITDA	4,929	6,520
Interest and tax paid	(347)	(565)
Change in working capital	(2,250)	(2,400)
Other	(544)	-
Restructuring	(2,340)	(2,512)
Operating cash flow	(552)	1,043
Sustaining capex	(958)	(509)
Product enhancement capex	(2,130)	(1,261)
Add back restructuring	2,340	2,512
Underlying free cash flow	(1,300)	1,785
Major project (RMB) capex	-	(4,552)
Acquisitions/divestment	993	(1,619)
Restructuring	(2,340)	(2,512)
Free cash flow	(2,647)	(6,898)

Source: Rubik annual report 2016

Note (1): Operating cash flow as per annual report

¹⁶ Based on tax rate of 30%.

In FY16, free cash flow was negative \$6.9 million, reflecting \$4.6 million of investment in research and development for the Rubik Model Bank which includes license fees paid or payable to Temenos of \$3.9 million.

As a result of negative cash flows, the Company has raised additional cash via equity issues in the past. During the 6 months ended 31 December 2016, Rubik has secured short-term and long-term bank loans amounting to \$11.7 million, in order to meet working capital needs and fund the acquisition of licences from Temenos. After the reporting date, in February 2017, the Company also secured a short-term loan of \$5 million from Viburnum, in order to ensure delivery of customer contracts.

4.4 Capital structure

Rubik has 423,587,074 fully paid listed ordinary shares on issue. A breakdown of the outstanding shares as at the date of this Report is set out below.

Rubik - Number of outstanding shares (‘000)	
Loan Funded Shares issued to CEO and CFO ¹	18,857,144
LTIP Shares allocated to Senior Management ²	7,482,000
Gift Plan Shares allocated to staff ³	168,000
Treasury shares ⁴	5,172,000
All other ordinary shares on issue	391,907,930
Total number of outstanding shares	423,587,074

Source: Management

Note (1): Loan Funded Shares represent ordinary shares issued to C-level executives, which include certain non-recourse loans to purchase the shares and escrow arrangements. These shares fully vest on a change of control transaction and they become unencumbered after payment of a release amount.

Note (2): LTIP shares represent ordinary shares held by the Rubik ESOP Trust for the benefit of certain senior management. These shares will vest based on the employment tenure of the relevant employees. Based on the terms of the SID, the LTIP Shares will vest on a pro rata basis based on the employees’ tenure up to the effective date of the Scheme.

Note (3): Gift Plan Shares represent ordinary shares held by the Rubik ESOP Trust for the benefit of certain staff of Rubik. These shares will fully vest on the effective date of the Scheme.

Note (4): Treasury Shares represent ordinary shares issued for either the Loan Funded Shares, LTIP Shares but returned to the Rubik ESOP Trust as the underlying vesting conditions have not been met.

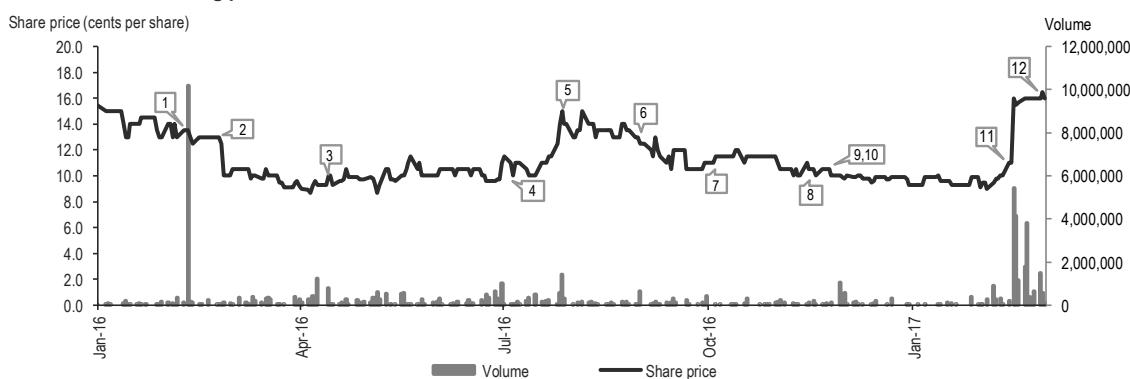
Set out below is a summary of Rubik's major shareholders as at 31 December 2016.

Top 10 shareholders of ordinary shares as at 31 December 2016			
Rank	Name	No. of shares	Interest (%)
1	J P Morgan Nominees Australia Limited	99,828,094	23.57%
2	UBS Nominees Pty Ltd	92,889,260	21.93%
3	Rubik ESOP Trusco Pty Ltd	12,822,000	3.03%
4	CS Fourth Nominees Pty Ltd	12,323,800	2.91%
5	BNP Paribas Nominees Pty Ltd	11,680,879	2.76%
6	Gardun Pty Ltd	11,428,572	2.70%
7	Fatty Holdings Pty Ltd	7,626,172	1.80%
8	RBC Investor Services Australia Nominees Pty Ltd	7,496,253	1.77%
9	Mr Darius Coveney	7,428,572	1.75%
10	Brispot Nominees Pty Ltd	7,199,496	1.70%
Top 10 shareholders total		270,723,098	63.91%
Remaining shareholders		152,863,976	36.09%
Total ordinary shares outstanding		423,587,074	100.00%

Source: Rubik annual report 2016

The daily movements in Rubik's share price and volumes traded for the period from January 2016 to February 2017 are set out below.

Historical share trading prices and volume for Rubik



Source: S&P Global and Grant Thornton Corporate Finance calculations

As can be seen in the graph above, over the period January 2016 to January 2017, Rubik Shares have traded at a high of 15.5 cents on 28 July 2016 and a low of 8.6 cents on 1 April 2016.

We note the following non-exhaustive list of announcements by the Company with regard to the share price history since January 2016.

No.	Date	Comments
1	8 February 2016	Rubik made an announcement regarding a 20% uplift in FY16 profit guidance. In addition, the Company extended the terms of the debt facilities with Westpac to January 2019 and agreed on a further facility to fund its expanded Temenos engagement to provide digital banking products to mid-tier ADIs. Rubik's share price closed at 13.5 cents/share.
2	25 February 2016	Rubik released the financial results in relation to the half year ended 31 December 2015. It was noted that the Company's underlying operating EBITDA increased by 17% compared to the same period in FY15. Rubik's share price closed at 12.5 cents/share.
3	13 April 2016	Rubik announced a 1-for-7 non-renounceable entitlement offer at 10 cents per share to existing eligible shareholders to raise approximately \$5.3 million before costs. The entitlement offer was valid until 3 May 2016. Rubik's share price closed at 10 cents/share.
4	6 July 2016	Rubik announced that an agreement with Bank of Alfalah, one of the largest banks in Pakistan, in relation to the implementation of its CWX collections platform has been signed. This signified the business's expansion into the Middle Eastern and Asian markets as the agreement brings the total to 5 out of 7 banks in Pakistan using CWX. Rubik had also partnered with leading banks in Dubai and Abu Dhabi. Rubik's share price closed at 11 cents/share.
5	28 July 2016	Rubik responded to ASX regarding a price query of Rubik share price increasing from 11 cents/share on 20 July 2016 to a high of 15 cents/share. Rubik's share price closed at 14 cents/share.
6	31 August 2016	Rubik released its full year statutory accounts and investor presentation. It was noted that Rubik signed over 150 contracts in FY16, revenue increased from \$38.8 million in FY15 to \$43.3 million in FY16, and that restructuring benefits and increase in sales drove this revenue uplift. Rubik's share price closed at 12.5 cents/share.
7	30 September 2016	Rubik announced the extension of its long-term, exclusive partnership with Temenos and the launch of its Rubik Model Bank solution. Rubik's share price closed at 11 cents/share.
8	17 November 2016	Rubik announced the signing of its first ADI to Rubik Model Bank, a digital banking platform specifically tailored for Australia Credit Unions, Mutuals and other ADIs. Rubik's share price closed at 10.5 cents/share.
9	28 November 2016	Rubik announced that its client, AMP Limited, had extended its contract with Rubik for licences of its COIN wealth management solution until 31 December 2018, which is 2 more years, including the provision of Rubik's scaled advice software Provisio. Rubik's share price closed at 10 cents/share.
10	29 November 2016	Rubik solutions were announced to be up and running with MyState Limited's digital transformation of their digital channels and customer experience offering, including access to MyState's banking products and services from the device of their choice. Rubik's share price closed at 10 cents/share.
11	15 February 2017	Rubik announced a proposed scheme of arrangement with Temenos, whereby Temenos had agreed to acquire 100% of Rubik's outstanding share capital for a consideration of 16.67 cents per share. The proposed scheme of arrangement was subject to approval by shareholders. Rubik's share price closed at 16 cents/share.
12	27 February 2017	Rubik released its half-year accounts for FY17. It was noted that the Company faced a decrease in revenue since the half-year ended 31 December 2015, mainly on account of a slowdown in revenue of legacy products. Rubik had incurred development expenditure on its new product, Rubik Model Bank, as well as on other products in the Wealth division. Rubik's share price closed at 16 cents/share.

Source: ASX announcements

Set out below is the volume weighted average price analysis of Rubik shares. We note that over the last 12 months approximately 9.9% of Rubik Shares have traded. Trading in Rubik Shares materially increased in February 2016 when the Company released an improved financial performance result and an uplift for its profit guidance.

Month end	Volume traded ('000)	Monthly VWAP (cents per share)	Total value of shares traded (\$'000)	Volume traded as % of total shares
Feb 2016	11,783	13.39	1,578	3.4%
Mar 2016	3,014	10.06	303	0.9%
Apr 2016	4,260	9.45	403	1.2%
May 2016	3,979	9.86	392	1.1%
Jun 2016	4,341	10.03	435	1.1%
Jul 2016	4,491	12.54	563	1.1%
Aug 2016	1,993	13.54	270	0.5%
Sep 2016	1,852	11.17	207	0.5%
Oct 2016	851	11.65	99	0.2%
Nov 2016	2,847	10.34	294	0.7%
Dec 2016	1,711	9.77	167	0.4%
Jan 2017	835	9.38	78	0.2%
Min				0.2%
Max				3.4%
Average				1.0%
Median				0.8%

Source: S&P Global and GTCF calculations

5 Valuation methodologies

5.1 Introduction

In accordance with our adopted valuation approach set out in Section 6, our fairness assessment involves comparing the Offer Price of 16.67 cents per Rubik Share to the fair market value of Rubik Shares on a control and fully diluted basis.

In each case, Grant Thornton Corporate Finance has assessed value using the concept of fair market value. Fair market value is commonly defined as:

“the price that would be negotiated in an open and unrestricted market between a knowledgeable, willing but not anxious buyer and a knowledgeable, willing but not anxious seller acting at arm’s length.”

Fair market value excludes any special value. Special value is the value that may accrue to a particular purchaser. In a competitive bidding situation, potential purchasers may be prepared to pay part, or all, of the special value that they expect to realise from the acquisition to the seller.

5.2 Valuation methodologies

RG 111 outlines the appropriate methodologies that a valuer should generally consider when valuing assets or securities for the purposes of, amongst other things, share buy-backs, selective capital reductions, schemes of arrangement, takeovers and prospectuses. These include:

- Application of earnings multiples to the estimated future maintainable earnings or cash flows of the entity, added to the estimated realisable value of any surplus assets (“FME Method”).
- Discounted cash flow method and the estimated realisable value of any surplus assets (“DCF Method”).
- Amount available for distribution to security holders on an orderly realisation of assets (“NAV Method”).
- Quoted price for listed securities, when there is a liquid and active market (“Quoted Security Price Method”).
- Any recent genuine offers received by the target for any business units or assets as a basis for valuation of those business units or assets.

Further details on these methodologies are set out in Appendix A to this report. Each of these methodologies is appropriate in certain circumstances.

RG111 does not prescribe the above methodologies as the method(s) that an expert should use in preparing their report. The decision as to which methodology to use lies with the expert based on the expert’s skill and judgement and after considering the unique circumstances of the entity or asset being valued. In general, an expert would have regard to valuation theory, the accepted and most common market practice in valuing the entity or asset in question and the availability of relevant information.

5.3 Methodologies selected

In our assessment of the fair market value of Rubik, Grant Thornton Corporate Finance has relied on the Future Maintainable Earnings Method (“FME Method”) as discussed below.

5.3.1 FME Method

Grant Thornton Corporate Finance has selected the EBITDA capitalisation approach to assess the fair market value of Rubik. We have adopted the EBITDA multiple approach since Rubik has a large amortisation and research and development charge which reflects the capital expenditure required to build, maintain and grow the business. However, the amortisation charge is often not fully reflective of the useful life of the underlying software, and it could be driven by tax planning and structuring. Furthermore, we note that our selected comparable companies are located in different jurisdictions and are subject to different accounting standards. EBITDA can better adjust for such non-cash charges which may distort earnings or make comparison between companies difficult.

We are of the opinion that a capitalisation of earnings approach is an appropriate valuation methodology for Rubik due to following:

- EBITDA multiples for companies operating in the financial technology space are widely used and accepted relative valuation measures.
- Availability of transactional evidence and listed comparable companies for the calculation and analysis of implied EBITDA multiples.
- No detailed long term forecast cash flows were approved by the Board. Rubik is currently implementing new strategies in the business, including the development and launch of the Rubik Model Bank, which creates some difficulty in order to project long term cash flows.

The EBITDA capitalisation approach involves the following key processes:

- Selecting an appropriate level of EBITDA, having regard to the historical and budgeted operating results after adjusting for non-recurring items of income and expenditure, and other known factors likely to affect the future operating performance of the business; and
- Determining appropriate EV/ EBITDA multiples having regard to the trading multiples of comparable companies and comparable transaction evidence, and the specific circumstances of Rubik and the selected comparable companies such as market positioning, quality of earnings, future growth prospects and investment risk.

5.3.2 Cross check

Prior to reaching our valuation conclusions, we have considered the reasonableness of our valuation of Rubik shares having regard to the quoted share price of Rubik.

6 Valuation assessment of Rubik

As discussed in Section 5.3, we have utilised the FME Method for the purpose of assessing the fair market value of Rubik on a control basis and the Quoted Security Price method as a cross check.

6.1 FME Method

Set out below is our valuation assessment of Rubik based on the capitalisation of maintainable earnings.

Valuation summary - FME Method \$'000	Section Reference	Low	High
Selected maintainable EBITDA	6.1.1	7,000	9,000
EBITDA multiple (times) on a control basis	6.1.2	9.0	9.5
Enterprise value on a control basis		63,000	85,500
Net debt	6.1.3	(11,448)	(11,448)
Cash proceeds from the Loan Funded Shares	6.1.4	1,263	1,263
Investments in unlisted shares	6.1.4	151	151
Outstanding investment to be made in Rubik Model Bank	6.1.4	(5,488)	(5,488)
Equity Value (on a control basis)		47,478	69,978
Number of Rubik Shares ('000)	6.1.5	414,157	414,157
Value per Rubik Share (on a control basis) cents per share		11.46	16.90

Source: Management, GTCF Calculations

6.1.1 Assessed maintainable EBITDA of Rubik

The maintainable EBITDA adopted for our valuation purposes is an exercise of judgement that takes into consideration the following factors:

- Historical financial performance of Rubik from FY13 to FY16, as discussed in more detail in Section 4.2.3.
- Revised Budget for FY17 and management projections ("Rubik Projections") for FY17 to FY18 prepared to analyse the underlying funding requirement during that period.
- Financial projections prepared by Management for impairment purposes.
- Key industry risks, growth prospects and general economic outlook.
- Broker estimates for Rubik and other key players in the industry.

Whilst Grant Thornton Corporate Finance believes that the assumptions underlying the Rubik Projections are appropriate to be considered for the purpose of our valuation, in accordance with the requirements of RG111, we have not disclosed them into our Report. In addition, the Rubik Projections contain commercially sensitive information and they do not meet the requirements for presentation of prospective financial information as set out in RG170.

In accordance with the requirement of RG 111, we have undertaken a critical analysis of the Rubik Projections before relying on them for the purpose of our valuation assessment. Specifically, we have performed the following analysis:

- Conducted high level checks of the Rubik Projections, including limited procedures in relation to the mathematical accuracy.

- Performed a broad review, critical analysis and benchmarking of the Projections with the historical performance of Rubik and current trends in the industry.
- We have held several discussions and interviews with the Management of the Company to discuss the Rubik Projections.
- In order to test the reasonableness of Rubik's Projections, we have, among other things, reviewed and benchmarked revenue growth rates and earnings margins with listed peers.

Our assessment of the maintainable EBITDA of Rubik is summarised in the table below which also provides a benchmark with the historical underlying earnings.

Future maintainable EBITDA	FY12	FY13	FY14	FY15	FY16	HY Dec 16
\$ million	Historical	Historical	Historical	Historical	Historical	Historical
Revenue	8.9	22.9	30.5	38.8	43.3	19.4
Revenue growth (p.a.)		157.3%	33.0%	27.5%	11.4%	-10.1%
Underlying EBITDA	(0.1)	5.3	5.0	4.9	6.5	2.0
EBITDA margin	-1.1%	23.1%	16.5%	12.7%	15.1%	10.4%
Grant Thornton adopted EBITDA (\$m)				7.00	to	9.00

Source: Rubik Annual Reports, Management information and GTCF analysis

In our assessment of the future maintainable EBITDA for Rubik, we have considered the following key factors:

- *Rollout of the Rubik Model Bank:* Rubik Model Bank is expected to drive the revenues of the Banking division and uplift the Company's recurring and non-recurring revenues starting from FY17. Management has made significant investments in licence costs, start-up costs for the development of the software and maintenance costs, and expects the product to gain substantial market share on the back of lower implementation costs and the level of customisation offered.
- *Provisio's growth opportunities:* Rubik is one of the key players in wealth management software solutions sector and it may be able to leverage-off its incumbent market positioning to gain significant market share in the scaled advice market. We note that as recently announced to the ASX, Yellow Brick Road has taken licence of Provisio for its network of franchisee owners and AMP has extended its contract for Coin and Provisio until 31 December 2018.
- *Industry trend:* There are significant growth opportunities arising from the digitisation of the financial services industry, the constant research of continuously increasing the level of efficiencies, the ADIs becoming increasingly inclined to abandon legacy systems for cloud-based platforms and automation in technology through the use of robotics applications.
- *Various initiatives undertaken to improve EBITDA margins:* Rubik has recently completed a restructuring program under which benefits of approximately \$2 million p.a. are expected to be realised on an ongoing basis.
- *Historical R&D expenses:* over the last few years, Rubik has incurred large R&D expenses for the development of the Rubik Model Bank and other products such as Coin and Provisio, which have depressed the financial performance of the business. Whilst these type of expenses are customary for a FinTech business, once the rollout of the Rubik Model Bank is completed, the proportion of the R&D expenses relative to the size of the business is expected to reduce.

- *EBITDA margin:* Rubik has achieved double-digit revenue growth for four consecutive years mainly driven by external acquisitions. However, this has not translated into improved earnings, with underlying EBITDA margins reducing from 23.1% in FY13 to 15.1% in FY16. This is due to increased costs to integrate acquired businesses with the Company's core operations and increased expenditures for the launch of new initiatives.
- *Slowdown in FY17:* Rubik's half-year results for FY17 reflect a reduction in revenues and EBITDA due to a focus on the development of new solutions for the Banking and Wealth divisions. EBITDA margin also reduced driven by lower non-recurring revenues. Legacy products like COIN are facing slowdown in revenues and customer attrition, contributing to the reduction in revenue from the previous corresponding period.
- *Ongoing licence payments to Temenos:* As mentioned in Section 4.3.1, Rubik has paid \$1.4 million by way of licence fees to Temenos during the six months ended 31 December 2016. Management estimates that licence payments to Temenos will be higher in the second half of FY17 and going forward, based on the terms of the recently extended partnership with Temenos.

Based on the above discussions and a review of the information available, we have assessed the maintainable EBITDA between \$7.0 million and \$9.0 million.

6.1.2 Assessment of EV/EBITDA Multiple

The selection of the appropriate EBITDA multiples to apply are a matter of judgement and involve consideration of a number of factors including:

- The stability and quality of earnings.
- The quality of the management and the likely continuity of management.
- The nature and size of the business.
- The financial structure of the company and gearing level.
- Future prospects of the business.
- Cyclical nature of the industry.
- The extent to which a premium for control is appropriate.
- The asset backing of the underlying business of the company and the quality of the assets.

For the purpose of assessing an appropriate multiples range to value Rubik, we have had regard to:

- The trading multiples of listed comparable companies which have been attributed by share market investors.
- The multiples implied by recent transactions involving comparable companies.

Trading multiples

Summarised below are the trading multiples of the selected companies having regard to the trading prices:

		Market	Enterprise	EV/ EBITDA				
		Cap ²	Value ²	LTM	FY2017	FY2018	FY2019	FY2020
Company	Country ¹	\$ million	\$ million	Actual	Projected	Projected	Projected	Projected
Tier 1: Domestic financial software companies								
Praemium Limited	Australia	157	149	32.8x	25.1x	15.5x	11.1x	9.1x
IRESS Limited	Australia	1,955	2,115	20.4x	15.8x	13.9x	12.0x	10.9x
GBST Holdings Limited	Australia	201	189	13.1x	15.7x	12.3x	8.3x	7.8x
Bravura Solutions Limited	Australia	311	403	16.1x	13.2x	12.2x	11.1x	NA
Average				20.6x	17.5x	13.5x	10.6x	9.3x
Median				18.3x	15.8x	13.1x	11.1x	9.1x
Tier 2: International financial software companies								
Linedata Services SA	France	459	476	7.8x	6.6x	6.2x	NA	NA
Microgen plc	United Kingdom	223	222	16.3x	13.3x	12.8x	NA	NA
Gresham Technologies plc	United Kingdom	167	161	42.5x	18.9x	NA	NA	NA
Temenos Group AG	Switzerland	6,355	6,588	22.6x	19.4x	16.8x	15.7x	13.2x
Blucora, Inc.	United States	862	1,347	13.1x	10.9x	9.1x	NA	NA
StatPro Group plc	United Kingdom	95	111	16.1x	12.1x	10.0x	NA	NA
Envestnet, Inc.	United States	2,134	2,447	40.0x	14.4x	11.3x	7.9x	6.6x
Average				22.6x	13.6x	11.1x	11.8x	9.9x
Median				16.3x	13.3x	10.7x	11.8x	9.9x
Overall Average				21.9x	15.0x	12.0x	11.0x	9.5x
Overall Median				16.3x	14.4x	12.3x	11.1x	9.1x

Source: S&P Global and GTCF calculations

Note (1): Country of headquarters.

Note (2): Market capitalisation as at 22 February 2017.

Note (3): EBITDA calculated based on annual periods ended 30 June (i.e. instead of financial year end).

Note (4): Forecast based on consensus median of all recent broker forecasts sourced from S&P Global.

Note (5): NA - Not Available.

In relation to the comparability of the above assessed multiples, we note the following key considerations:

- The EV/EBITDA multiples presented above reflect the value of underlying companies on a minority basis and do not include a premium for control.
- We have selected two tiers of comparable companies. Tier 1 includes those entities providing software to banks, wealth managers, portfolio managers and lenders within Australia, while Tier 2 includes companies providing software to banks and other financial institutions in developed markets outside Australia. We note that a wide range of comparable companies have been selected for the purpose of this analysis given the lack of perfectly comparable companies. A brief description and comparison of the comparable companies with Rubik is set out in Appendix B.
- As part of our analysis, we have also reviewed the accounting policies adopted by the listed peers in relation to the capitalisation or otherwise of the R&D expenses as they may have a significant impact on the relative EBITDA multiple.

- Companies with stronger historical financial performance and higher growth prospects tend to trade at higher multiples. The table below provides a summary of the revenue growth rates and operating margins of the selected comparable companies.

		Market Cap ²	Enterprise Value ²	EBITDA margin					Revenue growth				
				LTM	FY2017	FY2018	FY2019	FY2020	LTM	FY2017	FY2018	FY2019	FY2020
Company	Country ¹	\$ million	\$ million	Actual	Projected	Projected	Projected	Projected	Actual	Projected	Projected	Projected	Projected
Tier 1: Domestic financial software companies													
Praemium Limited	Australia	157	149	14.4%	16.9%	23.4%	27.9%	29.9%	41.5%	11.3%	17.0%	17.4%	13.6%
IRESS Limited	Australia	1,955	2,115	26.6%	30.5%	31.3%	32.4%	32.6%	7.7%	12.4%	11.0%	12.4%	8.7%
GBST Holdings Limited	Australia	201	189	14.9%	13.5%	16.1%	23.0%	23.5%	-15.3%	-8.1%	6.5%	4.5%	4.3%
Bravura Solutions Limited	Australia	311	403	13.5%	16.1%	16.6%	17.1%	N/A	21.4%	2.6%	4.9%	6.4%	N/A
Average				17.4%	19.3%	21.8%	25.1%	28.7%	13.9%	4.5%	9.9%	10.2%	8.9%
Median				14.7%	16.5%	20.0%	25.4%	29.9%	14.6%	6.9%	8.8%	9.4%	8.7%
Tier 2: International financial software companies													
Linedata Services SA	France	459	476	26.6%	27.1%	27.7%	N/A	N/A	-35.1%	16.8%	2.8%	N/A	N/A
Microgen plc	United Kingdom	223	222	23.4%	25.5%	25.7%	N/A	N/A	-44.9%	13.0%	2.5%	N/A	N/A
Gresham Technologies plc	United Kingdom	167	161	14.9%	26.1%	N/A	N/A	N/A	-48.2%	28.7%	N/A	N/A	N/A
Temenos Group AG	Switzerland	6,355	6,588	35.5%	38.0%	40.1%	39.0%	42.3%	-14.9%	8.9%	9.7%	10.3%	9.2%
Blucora, Inc.	United States	862	1,347	17.3%	19.6%	21.9%	N/A	N/A	182.1%	6.1%	7.3%	N/A	N/A
StatPro Group plc	United Kingdom	95	111	13.1%	14.5%	16.5%	N/A	N/A	-47.2%	20.2%	5.5%	N/A	N/A
Envestnet, Inc.	United States	2,134	2,447	8.7%	19.5%	21.7%	26.5%	28.4%	-6.4%	23.6%	15.0%	16.2%	12.2%
Average				19.9%	24.3%	25.6%	32.8%	35.4%	-2.1%	16.7%	7.1%	13.2%	10.7%
Median				17.3%	25.5%	23.8%	32.8%	35.4%	-35.1%	16.8%	6.4%	13.2%	10.7%
Overall Average				19.0%	22.5%	24.1%	27.7%	31.3%	3.7%	12.3%	8.2%	11.2%	9.6%
Overall Median				14.9%	19.6%	22.7%	27.2%	29.9%	-14.9%	12.4%	6.9%	11.4%	9.2%

Source: S&P Global and GTCF calculations.

Note (1): Country of headquarters

Note (2): Market capitalisation as at 22 February 2017

Note (3): EBITDA calculated based on annual periods ended 30 June (i.e. instead of financial year end).

Note (4): Forecast based on consensus median of all recent broker forecasts sourced from S&P Global

Note (5): N/A - Not Available

In relation to the comparability of the above assessed multiples, we note the following key considerations:

Tier 1 Companies

Within the Tier 1 comparable companies, we regard IRESS Limited (“IRESS”), GBST Holdings Limited and Bravura Solutions Limited to be somehow more comparable to Rubik as they operate in the financial technology industry in Australia, with a focus on similar markets as Rubik and some of them own products that are in direct competition to Rubik’s products. However, we note that these companies are significantly larger than Rubik and more diversified in operations and geography.

A brief comparison of the comparable companies is set out below:

IRESS

IRESS provides software to companies operating in financial markets, wealth management and mortgage lending. It derives the majority of revenue from the wealth management (48.1% of revenue for the year ending 31 December 2015) and financial markets segment (42.8% of revenue for the year ending 31 December 2015). Its solutions include trading software portfolio management (for the financial markets division), research and planning software and wealth management platforms (for the wealth management division) and mortgage sales and intermediary advice solutions (for the enterprise lending division). IRESS

has a market capitalisation of c. \$1.9 billion as at 31 January 2017, and has historically had relatively high operating margins (in excess of 25% EBITDA). IRESS is highly diversified and although it began operations in Australia, it now earns 48% of its revenue from outside Australia and New Zealand.

IRESS' XPLAN software is the market leader in wealth management and advice platform and it directly competes with Rubik's COIN platform. IRESS' other software like IRESS (a market information and trading platform) and MSO (a lending automation and mortgage processing platform) are comparable to software provided by Rubik to its clients.

IRESS is materially bigger than Rubik (in terms of market capitalisation and revenue base), and diversified geographically. Based on the above, all other things being equal, we would expect Rubik to trade at a lower multiple to IRESS.

GBST Holdings Limited ("GBST")

GBST Holdings Limited develops software products for banking, financial services and insurance companies in Australia and overseas. The retail wealth division (serving insurance and pension companies, brokers, fund managers and banks) contributes c. 60% to revenue, while the institutional segment (serving investment banks) contributes the balance. The company earns a large degree of revenue overseas (two-thirds of the Retail Wealth division's revenue and one-third of the Institutional division's revenue) and it has relatively more stable EBITDA margins compared to Rubik.

In addition, we note that unlike Rubik, GBST has a policy to expense all R&D costs. Accordingly, R&D expenses forms a part of GBST's operational costs, thereby reducing EBITDA and increasing the EBITDA multiple. Conversely, Rubik expenses research costs and capitalises development costs upon attainment of technical feasibility. All other things being equal, this would result in GBST trading at a higher multiple than Rubik.

Bravura Solutions Limited ("Bravura")

Bravura is engaged in providing software consulting, development, licencing and maintenance of customised administration and management software. The company serves investment vehicles for retail and institutional investors through the funds administration segment, as well as superannuation funds, pension funds, life insurance companies, private wealth managers and portfolio administration companies through the wealth management segment. Historically, the funds administration segment has contributed higher revenue than the wealth management segment. However, this trend has reversed in FY15 and FY16.

Bravura has an average EBITDA margin of 14.4% for the five years ended FY16 and its EBITDA margin has been declining since FY13, similar to Rubik. Bravura has listed on the ASX in November 2016, at a pro-forma forecast FY17 EBITDA multiple of 9.5x.

We have included Praemium Limited ("Praemium") in the Tier 1 comparable companies as it provides portfolio administration, investment platforms, and financial planning tools to the wealth management industry and earns c. 70% revenue from Australia. However, Praemium mainly serves the separately managed accounts market, and provides cloud-based solutions for portfolio administration/ operation and customer relationship management. The company

also offers model portfolios and managed funds through its in-house investment management team. Accordingly, we have placed limited reliance on its multiples.

Tier 2 Companies

Among the Tier 2 comparable companies, we consider Linedata Services SA, Microgen Plc and StatPro Group Plc to be somewhat comparable to Rubik since some of the operations undertaken by these companies are similar to Rubik. However, we note that all these companies have access to larger markets with different client requirements, banking/ financial regulations, access to capital and political risks. These companies are all larger than Rubik and have a higher EBITDA margin than Rubik. Accordingly, we expect Rubik to trade at a discount to the Tier 2 comparable companies.

Overall, whilst none of the peer companies are perfectly comparable to Rubik, we believe the selected comparable companies as a whole provides a good level of guidance for the multiples applicable to Rubik.

Transactional multiples

We have further considered multiples implied by historical transactions involving companies comparable to Rubik. The table below summarises our comparable transaction analysis.

Announcement Date	Target Company	Country ¹	Bidder Company	Stake (%)	Deal Value (\$ million)	EBITDA Multiple (Times)	Status
Tier 1 - Domestic transactions							
Sep-16	Financial Synergy	Australia	IRESS	100%	90	9.6x	Closed
Jun-14	Stargate and Infinitive ²	Australia	Rubik	100%	22	5.9x	Closed
Jan-14	AMEE Easy Software Solutions	Australia	Rubik	100%	3	4.6x	Closed
Jun-13	Bravura Solutions	Australia	Ironbridge Capital	33%	57	8.5x	Closed
Jul-12	Coin Software	Australia	Rubik	100%	24	4.8x	Closed
Tier 2 - International transactions							
Jun-16	Tessi SA	France	HLD Associés	54%	696	6.9x	Closed
Oct-15	Wincor Nixdorf Aktiengesellschaft	Germany	Diebold, Incorporated	77%	1,929	6.2x	Closed
Sep-15	Pulse Software and Proquote	UK	IRESS	100%	77	14.2x	Closed
Mar-15	Plum Software	UK	Praemium	100%	4	NA	Closed
Dec-14	Finzsoft Solutions	New Zealand	Silverlake Axis	88%	22	6.0x	Closed
Sep-11	eFront	France	Francisco Partners	74%	94	7.4x	Closed
Jan-11	Peresys	South Africa	IRESS	100%	54	9.5x	Closed
May-10	Mutual Fund Technologies	UK	Bravura Solutions	100%	33	3.4x	Closed
Average (Tier 1)						6.7x	
Median (Tier 1)						5.9x	
Average (All)						7.2x	
Median (All)						6.6x	

Source: S&P Global and GTCF calculations

Note 1: Country of incorporation of target(s)

Note 2: The consideration of these transactions exclude the payment of any potential earn-out

In relation to the above, we note the following:

- The comparable transactions observed took place during the period between May 2010 and September 2016. These transactions involve the acquisitions of controlling interests.
- The EV/EBITDA multiple has been determined having regard to the historical financial performance.
- We have selected two tiers of comparable transactions. Tier 1 focusses on transactions where the target acquired was based in Australia or conducted the majority of its operations in Australia. Tier 2 consists of transactions where the target acquired was outside Australia or conducted the majority of its operations outside Australia.
- Given Rubik's operational focus in Australia¹⁷ and the unique legislative environment for the Australian financial services sector, we have considered the Tier 1 transactions to be most comparable to the Scheme. An overview of the most comparable transactions is outlined below:

Acquisition of Financial Synergy by IRESS

In September 2016, IRESS announced the acquisition of Financial Synergy, a leading and established provider of superannuation software solutions based in Melbourne, Australia. The purchase consideration was \$90 million. The transaction complemented and expanded IRESS's range of services and solutions in Australian financial services specifically in the growing superannuation segment.

We note that Financial Synergy's normalised EBITDA was circa \$9.4m for FY16, implying a 9.6x historical EBITDA multiple

Given that Financial Synergy focuses on the wealth management sector which makes up 47% of Rubik's normalised FY16 revenue, is exposed to the same operating environment, faces similar growth drivers and risk factors and is comparable to Rubik in terms of size, we consider the EBITDA multiple from this transaction to provide a reasonable guidance of the multiple applicable to Rubik.

Recent acquisitions by Rubik

Rubik undertook several transactions between 2012 and 2014. A summary of each transaction is detailed below:

- *Stargate and Infinitive* – In June 2014, Rubik announced the acquisitions of Stargate and Infinitive, two leading mortgage industry software companies handling circa 25% of all Australian intermediated mortgage settlements. Rubik expected the transaction to generate significant additional synergies over time as it complements and expands Rubik's presence in the Wealth and Mortgage sectors.

¹⁷ Rubik generated circa 94.7% of its revenue from its Australian operations in FY16.

The combined Stargate and Infinitive acquisition was undertaken at 5.9x EV/EBITDA multiple for FY14 EBITDA (only upfront consideration excluding earn out).

- *AMEE Easy Software Solutions* – In January 2014, Rubik announced the acquisition of AMEE Easy Software Solutions, a revenue and commission software solution developer focused on the financial planning practices and Australian Financial Services Licensees. The transaction underpinned Rubik's expansion to the financial planning industry.

We note that AMEE Easy Software Solutions was acquired at a 4.6x EV/EBITDA multiple for FY14 EBITDA.

- *Coin Software* – In August 2012, Rubik announced the acquisition of Coin Software, the leading financial advice software business from Macquarie, marking Rubik's extension into the wealth management sector. The acquisition also involved a 5-year non-compete agreement with Macquarie.

We note that Coin Software's normalised EBITDA was \$5.3m for the year ending March 2012 which implies a 4.8x EV/EBITDA multiple.

Acquisition of a stake in Bravura by Ironbridge Capital

In June 2013, Ironbridge Capital announced that it acquired 32.9% stake in Bravura. As the funds advised by Ironbridge Capital already held 67.1% in Bravura, it became wholly owned by entities associated with Ironbridge Capital. The transaction was completed at 8.5x historical EBITDA. As discussed above, we consider Bravura among the most comparable, relatively speaking, companies to Rubik.

EV/EBITDA multiples - Conclusion

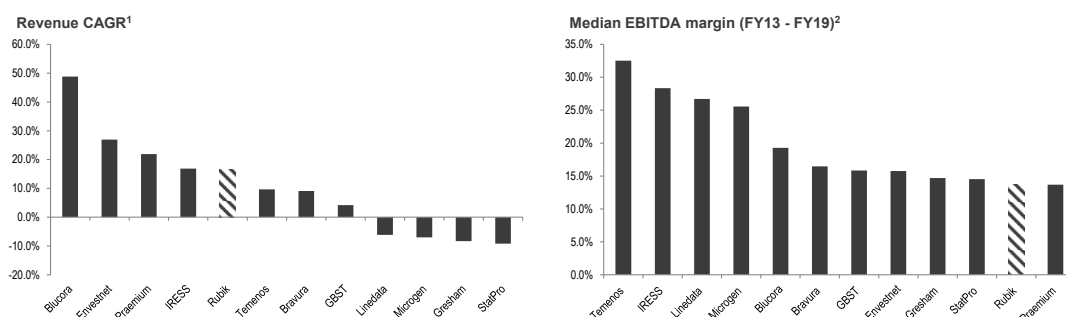
Based on the analysis of listed comparable companies and comparable transactions, Grant Thornton Corporate Finance has assessed an EV/EBITDA multiple for the valuation of Rubik in the range of 9.0x to 9.5x on a control basis.

In our selection of the EV/EBITDA multiple, we have mainly considered the following:

- Our assessment of the maintainable EBITDA between \$7 million and \$9 million incorporates our opinion of the potential upside arising from the rollout of the Rubik Model Bank.
- The median FY18 EBITDA multiple of the Tier 1 listed peers is circa 13.1x on a minority basis however most of the comparable companies are larger, more diversified and have more stable operations.
- Some of Tier 1 listed peers fully expensed their research and development expenditures which do result, all other things being the same, in a higher EBITDA multiple.
- There is uncertainty in relation to Rubik's financial performance going forward due to recent downward trend in the performance of the Wealth division and full roll-out of the Rubik Model Bank yet to occur.

An instinct for growth™

- The most recent comparable transaction, being the acquisition of Financial Synergy by IRESS occurred at 9.6x historical EBITDA.
- Based on discussions with Management, we understand that while the exclusive licence agreement with Temenos provides significant protection to the Company and sets out the Company's rights under the licence agreement, Temenos retains ownership of its T24 software used in the Rubik Model Bank platform and Rubik owns the client-facing platform. Conversely, the comparable companies own the client-facing platform as well as the underlying software that drives the platform. Accordingly, they do not incur costs or face risks in using third party software.
- Historically, Rubik has underperformed its peers in the Australian market as well as the international market, by earning lower margins on revenue than the peers. This is shown in the charts below:



Source: S&P Global, Broker consensus

Note 1: The revenue CAGR has been calculated from FY13 to the latest available forecast.

Note 2: While the margins till FY15/FY16 are based on historical actuals, margins after FY15/ FY16 till FY19 are based on the latest broker consensus estimates available to the market.

- In November 2016, Bravura's shares were listed on the ASX at 9.5x pro forma FY17 EBITDA.

6.1.3 Net debt

At the end of February 2017, Rubik had a total net debt of \$11.4 million as outlined below. We note that the increase in the net debt compared with 31 December 2016 was mainly driven by the payment of the earn-out consideration of \$2 million for the Stargate acquisition which was due at the end of February.

Rubik - Net debt position as at 28 February 2017		\$'000
Cash at bank		2,300
Borrowings from bank		(11,648)
Viburnum Loan		(2,100)
Total cash position (net debt)		(11,448)

Source: Rubik's management

6.1.4 Other adjustments

The other adjustments made to the enterprise value of Rubik to arrive at the value per equity share are set out below:

- *Cash proceeds from loan funded shares:* Based on the terms of the Loan Funded Shares, including relevant amendments entered into in conjunction with the Scheme, all Loan Funded Shares

vest and holders of the Loan Funded Shares will receive consideration of 10 cents per share, with the remaining 6.67 cents per share being offset as satisfaction of all amounts owing in connection with the Loan Funded Shares.

- *Investment in unlisted shares:* Non-current investments made in CCK Financial Solutions Pty Ltd, recognised at fair value through the fair value reserve in equity.
- *Rubik Model Bank:* Based on a review of the information available and discussions with Management, we understand that Rubik expects to incur an additional \$5.5 million over the next 12 months or so to complete the development of the Rubik Model Bank (including licence payments to Temenos)¹⁸. Given that in our assessment of the future maintainable EBITDA between \$7 million and \$9 million, we have included a significant expected contribution from the Rubik Model Bank, in our assessment of the equity value of Rubik we have considered the outstanding investment required to complete it.

We note that Rubik, similarly to the other listed peers, has significant accumulated tax losses as at the date of our valuation. In our opinion, the market value of the tax losses is already reflected in the trading multiples of the comparable companies.

6.1.5 Rubik shares on issue

In our valuation assessment, we have considered a total number of shares on issue of 414,156,964 based on the following:

- 391,907,930 ordinary shares on issue.
- 18,857,144 Loan Funded Shares. We note that in our valuation assessment we have included the cash payable to Rubik by Senior Management (6.67 cents per share) as the release payment in accordance with the terms.
- 3,223,890 LTIP Shares which have vested as at the date of the Report¹⁹.
- 168,000 Gift Plan Shares which will fully vest on the effective date of the Scheme.

All treasury shares (5,172,000) and the unvested LTIP Shares (4,258,110) will be lawfully transferred to a subsidiary or nominee of Rubik prior to the Scheme record date. These shares will be acquired by Temenos under the Scheme. For the purpose of our valuation, we have excluded these shares in the calculation of total number of shares on issue on the basis that Temenos will pay for them and the cash will remain in the business.

¹⁸ We understand that while this figure is based on a recent estimate, it may be subject to change.

¹⁹ Our assessment of the number of the LTIP Shares included in our valuation assessment assumes that the Scheme is effective on 1 March 2017. We understand that as at the expected completion date of the Scheme (i.e. 22 May 2017), 3,827,993 LTIP Shares are expected to vest and 3,654,007 LTIP Shares will be unvested.

6.2 Valuation cross check – Quoted Security Price Method

Prior to reaching our valuation conclusion, we have also considered the quoted security price as a cross check to the values derived using the FME Method. In accordance with the requirements of RG111, we have considered the listed securities' depth, liquidity, and whether or not the trading prices are likely to represent the market value of Rubik.

To assess the liquidity of Rubik Shares, we have analysed the monthly trading volume of Rubik Shares since February 2016 as a percentage of the shares outstanding and free float as outlined in the table below:

Month end	Volume traded ('000)	Monthly VWAP (cents per share)	Total value of shares traded (\$'000)	Volume traded as % of total shares	Cummulative volume traded as % of total shares	Volume traded as % of free float shares	Cummulative volume traded as % of free float shares
Feb 2016	11,783	13.39	1,578	3.4%	3.4%	7.3%	7.3%
Mar 2016	3,014	10.06	303	0.9%	4.3%	1.9%	9.2%
Apr 2016	4,260	9.45	403	1.2%	5.5%	3.2%	12.4%
May 2016	3,979	9.86	392	1.1%	6.7%	3.0%	15.4%
Jun 2016	4,341	10.03	435	1.1%	7.7%	3.3%	18.7%
Jul 2016	4,491	12.54	563	1.1%	8.9%	2.5%	21.1%
Aug 2016	1,993	13.54	270	0.5%	9.4%	1.1%	22.2%
Sep 2016	1,852	11.17	207	0.5%	9.8%	1.0%	23.3%
Oct 2016	851	11.65	99	0.2%	10.0%	0.5%	23.8%
Nov 2016	2,847	10.34	294	0.7%	10.8%	1.7%	25.5%
Dec 2016	1,711	9.77	167	0.4%	11.2%	1.0%	26.5%
Jan 2017	835	9.38	78	0.2%	11.4%	0.5%	27.0%
Min				0.2%		0.5%	
Max				3.4%		7.3%	
Average				1.0%		2.3%	
Median				0.8%		1.8%	

Source: S&P Global and GTCF calculations

Based on the above table, we note the following:

- During the selected period, approximately only 11.4% and 27.0% of the total Rubik Shares outstanding and free float were traded respectively. This indicates that the historical liquidity of Rubik Shares is limited.
- Rubik complies with the full disclosure regime required by the ASX. As a result, the market is fully informed about the performance of Rubik.
- The Company is covered by one investment analyst, who has provided forecast revenue and earnings.
- During the observed period, the minimum and maximum monthly VWAP price varied between 9.38 cents and 13.54 cents per share.

While the level of liquidity is limited, we have adopted the trading share price as an indicative cross check of our valuation assessment of Rubik given that in the absence of a takeover or other share offers, the trading share price represents the value at which minority shareholders could realise their portfolio investment. In addition, as discussed in section 5, other valuation methodologies are not applicable.

Assessment of VWAP

Set out below is the VWAP of Rubik share price before the announcement of the Scheme.

VWAP cents per share	Low	High	VWAP
Prior to and including the announcement date			
5 days	9.92	10.93	10.33
10 days	9.42	10.93	9.78
14 days	9.10	10.93	9.76
1 month	9.10	10.93	9.66
2 month	9.10	10.93	9.65
3 month	9.10	10.93	9.85
6 month	8.76	14.98	10.60
12 month	8.76	16.87	12.60
18 month	8.76	18.85	13.77

Source: S&P Global and GTCF calculations

The average trading VWAPs for recent periods shown above have ranged between 9 cents and 10 cents per share before the announcement of the Proposed Transaction on a minority basis.

Control premium

We note that Rubik trading prices on the ASX reflect the market value of the Company on a minority basis. A premium for control is applicable when the acquisition of control of a company or business would give rise to benefits such as:

- The ability to realise synergistic benefits.
- Access to cash flows.
- Access to tax benefits.
- Control of the board, the management team and the strategy of the company.

Evidence from studies indicates that premiums for control on successful takeovers have frequently been in the range of 20% to 40% in Australia and that the premiums vary significantly for each transaction.

Conclusion on fair market value of a Rubik Share

Our valuation range of 11.46 cents to 16.90 cents per share based on the EBITDA multiple is not inconsistent with the historical VWAP range between 9 cents and 10 cents once a premium for control is taken into account.

7 Source of information, disclaimer and consents

7.1 Source of information

In preparing this report Grant Thornton Corporate Finance has used various sources of information, including:

- ASX announcements
- Annual reports
- Management accounts and budget papers
- Monthly board presentations
- Discussions with management
- IBISWorld
- S&P Global
- Other publicly available information

7.2 Limitations and reliance on information

This report and opinion is based on economic, market and other conditions prevailing at the date of this report. Such conditions can change significantly over relatively short periods of time.

Grant Thornton Corporate Finance has prepared this report on the basis of financial and other information provided by the Company, and publicly available information. Grant Thornton Corporate Finance has considered and relied upon this information. Grant Thornton Corporate Finance has no reason to believe that any information supplied was false or that any material information has been withheld. Grant Thornton Corporate Finance has evaluated the information provided by the Company through inquiry, analysis and review, and nothing has come to our attention to indicate the information provided was materially misstated or would not afford reasonable grounds upon which to base our report. Nothing in this report should be taken to imply that Grant Thornton Corporate Finance has audited any information supplied to us, or has in any way carried out an audit on the books of accounts or other records of the Company.

This report has been prepared to assist the Directors of Rubik in advising the Rubik Shareholders in relation to the Proposed Transaction. This report should not be used for any other purpose. In particular, it is not intended that this report should be used for any purpose other than as an expression of Grant Thornton Corporate Finance's opinion as to whether the Proposed Transaction is fair and reasonable to the Rubik Shareholders.

Rubik has indemnified Grant Thornton Corporate Finance, its affiliated companies and their respective officers and employees, who may be involved in or in any way associated with the performance of services contemplated by our engagement letter, against any and all losses, claims, damages and liabilities arising out of or related to the performance of those services whether by reason of their negligence or otherwise, excepting gross negligence and wilful misconduct, and which arise from reliance on information provided by the Company, which the Company knew or should have known to be false and/or reliance on information, which was material information the Company had in its possession and which the Company knew or should have known to be material and which did not provide to Grant Thornton Corporate Finance. The Company will reimburse any indemnified party for all expenses (including without limitation, legal expenses) on a full indemnity basis as they are incurred.

7.3 Consents

Grant Thornton Corporate Finance consents to the issuing of this report in the form and context in which it is included in the Scheme Booklet to be sent to Rubik Shareholders. Neither the whole nor part of this report nor any reference thereto may be included in or with or attached to any other document, resolution, letter or statement without the prior written consent of Grant Thornton Corporate Finance as to the form and content in which it appears.

Appendix A – Valuation methodology

Discounted cash flow

An analysis of the net present value of projected cash flows or DCF is a valuation technique based on the premise that the value of the business is the present value of its future cash flows. This technique is particularly suited to a business with a finite life. In applying this method, the expected level of future cash flows are discounted by an appropriate discount rate based on the WACC. The cost of equity capital, being a component of the WACC, is estimated using the Capital Asset Pricing Model.

Predicting future cash flows is a complex exercise requiring assumptions as to the future direction of the company, growth rates, operating and capital expenditure and numerous other factors. An application of this method generally requires cash flow forecasts for a minimum of five years.

Capitalisation of future maintainable earnings

The capitalisation of future maintainable earnings is a suitable valuation method for businesses that are expected to trade profitably into the foreseeable future. Maintainable earnings are the assessed sustainable profits that can be derived by a company's business and excludes any abnormal or "one off" profits or losses.

The selection of the appropriate multiples to apply is a matter of judgement and involves consideration of a number of factors including:

- The stability and quality of earnings.
- The nature and size of the business.
- The financial structure of the company and gearing level.
- Future prospects of the business.
- Cyclical nature of the industry.
- The asset backing of the underlying business of the company and the quality of the assets.

This approach involves a review of the multiples at which shares in listed companies in the same industry sector trade on the share market. These multiples give an indication of the price payable by portfolio investors for the acquisition of a parcel shareholding in the company.

Net asset backing/orderly realisation of assets

The amount that would be distributed to shareholders on an orderly realisation of assets is based on the assumption that a company is liquidated with the funds realised from the sale of its assets, after payment of all liabilities, including realisation costs and taxation charges that arise, being distributed to shareholders.

Market value of listed securities

Market value is the price per issued share as quoted on the ASX or other recognised securities exchange. The share market price would, prima facie, constitute the market value of the shares of a publicly traded company, although such market price usually reflects the price paid for a minority holding or small parcel of shares, and does not reflect the market value offering control to the acquirer.

Comparable transactions

The comparable transactions method is the value of similar assets established through comparative transactions to which is added the realisable value of surplus assets. The comparable transactions method uses similar or comparative transactions and/or listed trading companies to establish a value for the current transaction.

The comparable transactions methodology involves applying multiples extracted from the market transaction price of similar assets to the equivalent assets and earnings of the company.

The risk attached to this valuation methodology is that in many cases, the relevant transactions contain features that are unique to that transaction and it is often difficult to establish sufficient detail of all the material factors that contributed to the transaction price.

Appendix B – Trading comparable company descriptions

Company	Description
Tier 1 – Domestic financial software companies	
Praemium Limited	Praemium Limited provides portfolio administration, investment platforms, and financial planning tools to the wealth management industry worldwide. It offers V-Wrap, an investment platform, which provides various portfolio administration services. The company also offers WealthCraft that includes customer relationship management, financial planning, commission's management, investment research, portfolio management, and unit trust trade automation modules, which provide financial professionals the tools and services to develop and expand their wealth management business. In addition, it offers Separately Managed Accounts, an investment platform solution that provides technology to the traditional "wrap" service provided by various platforms, as well as clients with professionally managed portfolios that are aligned to an investment strategy or model portfolio; and enables clients to customize portfolios with stock substitutions and holding locks. The company offers data feeds, which automatically record clients' transactions, such as import transactions from contract notes and options, as well as file delivery. It serves financial advisors, accountants, investment managers, banks, and other financial providers, such as superannuation administrators. Praemium Limited was founded in 2001 and is headquartered in Melbourne, Australia.
IRESS Limited	IRESS Limited provides information, trading, compliance, order management, portfolio and wealth management, and lending systems and related tools in Australia, New Zealand, South East Asia, Canada, South Africa, and the United Kingdom. Its financial market products comprise IRESS Market Data Solution, an equity information system that delivers market data and analysis tools; IRESS Order Management System, a multi-purpose trading platform for buy side, sell side, retail, and operator traders; SmartHub, a cloud-based solution, which provides access to global financial markets and supports various asset classes; and IRESS Portfolio System that delivers tools for modeling, compliance, and order management with tax analysis and portfolio reporting features. The company's wealth management products comprise XPLAN, which offers client relationship management and client online access to manage client base; business management tools to track various aspects of business consisting of staff, processes, revenue, and costs; advice tools for financial planning calculation, projection and strategy modeling, risk insurance research, superannuation research, mortgage qualification, and electronic applications; and a range of portfolio tools for automated updates from datafeed providers, and make reviewing and reporting on portfolio positions. In addition, it offers consulting, implementation, online support, training, technical advice, and hosting services. The company serves various corporations and independent operators. The company was formerly known as IRESS Market Technology Limited and changed its name to IRESS Limited in May 2012. IRESS Limited was founded in 1993 and is based in Melbourne, Australia.
GBST Holdings Limited	GBST Holdings Limited provides software products for the financial services sector. The company's GBST Wealth Management division, through its GBST Composer platform, offers end to end funds administration and management software to the wealth management industry. It provides an integrated system for the administration of wrap platforms, including individual savings accounts, pensions, self-invested personal pension, and superannuation, as well as master trusts, unit trusts, risk and debt, and other investment assets. This division also offers technology hub solutions; and data analytics and quantitative services for the measurement of portfolio performance. The company's GBST Capital Markets division, through its GBST Syn-platform provides technology to process equities, derivatives, fixed income, and managed funds transactions for global capital markets. It also provides the GBST shares and derivatives platforms, which are used as middle-office and back-office equities and derivatives system. In addition, this division offers integrated solutions for trading, clearing, and settlement of multi-instruments, currencies, and markets. Further, it provides independent financial data and digital agency services for interactive Website design, development, hosting, e-commerce platforms, and mobile and social networking solutions. The company also offers software licenses; maintenance/support services for licensed software; implementation and consulting services; and project development contract services, as well as sells third party products. Its software platforms supports approximately 7,000 investment options on a single wealth administration platform and connect capital markets in Australasia, Asia, Europe, and North America. The company serves wealth managers, institutional and retail brokers, custodians, investment bankers, margin lenders, and others. GBST Holdings Limited was founded in 1984 and is based in Brisbane, Australia.
Bravura Solutions Limited	Bravura Solutions Limited provides software products and services to customers in the wealth management and funds administration industries in the Asia Pacific, Europe, the Middle East, and Africa. The company operates in two segments, Wealth Management and Funds Administration. The Wealth Management segment offers Sonata, a wealth management administration system that support various business lines, such as pensions and retirement savings, life insurance, investment, and wrap and platform; Garradin, a multi-currency investment management and private wealth system; ePASS, which is an enterprise eBusiness application for superannuation and pension; SuperB, a wealth management administration system for the superannuation and pension markets; Calibre, a wealth management system for the administration of superannuation, pension, and investment products; and Talisman, a solution that supports administration of life insurance, investment, and KiwiSaver products. The Funds Administration segment provides RUFUS that supports retail and institutional funds administration; GTAS, a funds administration application that supports the administration of retail and institutional funds administration by investment managers and third party administrators; Babel, a financial messaging platform that connects message providers to various financial product distributor platforms and the back-office functions of investment managers; and GFAS, a multi-jurisdictional and multi-currency platform that supports the administration of managed funds. Bravura Solutions Limited also provides professional services, including BPO partnering, consulting, data migration, system implementation, software development, support, and training services, as well as managed application services. The company was founded in 2004 and is headquartered in Sydney, Australia.
Tier 2 – International financial software companies	
Linedata Services SA	Linedata Services SA provides software solutions for the investment management, insurance, and credit community in France and internationally. The company offers solutions for alternative and institutional investment clients, which include Linedata Lynx, an electronic trading solution; Linedata Compliance, a solution for ensuring pre and post-

Company	Description
	trade compliance; and Linedata Reporting, a tool to manage internal and external reporting, as well as provides Linedata Longview, a Web-based portfolio management platform for wealth managers. Its solutions for employee savings plans comprise Linedata Noee, a solution for managing employee savings accounts; and Linedata Webpass, a multi-services Internet platform that features secure access and centralized communication between the company and its shareholder or saver employees. The company's solutions for the personal insurance industry cover Linedata Master I, a software solution for the portfolio management processes of individual and collective savings contracts for contingency insurance and pensions. Its solutions for the lending and leasing industry include Linedata Ekip 360, a software solution to manage various retail and commercial finance; Linedata Profinance, a vehicle financing solution; and Linedata Capitalstream, a configurable loan and lease origination and risk management platform that enables financial institutions to automate business and commercial lending process. The company also provides its software solutions in software as a service (SaaS) model. In addition, it offers implementation, hosting and SaaS, training, client support, buy side managed, and professional services. The company serves approximately 700 clients in 50 countries. Linedata Services SA was founded in 1998 and is headquartered in Neuilly-sur-seine, France.
Microgen plc	Microgen plc develops, implements, and supports enterprise software, applications, and solutions primarily in the United Kingdom and internationally. The company's Aptitude Software segment provides an enterprise level application platform that delivers solutions to customers for the rapid processing of complex and business event driven transactions. This segment also offers Accounting Hub, Revenue Recognition Engine, and Finance Calculation Engines; and software maintenance/support and professional services. Its Financial Systems segment provides a range of financial services technology systems and payment software; and wealth management and application management services to trust and corporate, and fund administration service companies. Microgen plc was founded in 1974 and is headquartered in London, the United Kingdom.
Gresham Technologies plc	Gresham Technologies plc, a software and services company, provides real time transaction control and enterprise data integrity solutions primarily for the finance and banking sectors. It operates through Clareti Solutions and Other Solutions segments. The company offers Clareti Transaction Control (CTC), an enterprise data integrity platform. Its portfolio of Clareti business applications include CTC Accounts Receivable Management for automating matching, reconciliation, and allocation to reduce the order-to-cash cycle; CTC OTC Derivatives for operational control of over-the-counter derivative financial instruments; and CTC Transition Management for integrity assurance during systems change and data migration. The company also offers solutions to enterprise-level customers in various end markets; and services, such as consultancy, support, and training. Its solutions focus in the areas of regulatory compliance, internal risk control, financial control, transition management, and white label. The company has operations in Europe, the Middle East, Africa, North America, and the Asia Pacific. The company was formerly known as Gresham Computing plc and changed its name to Gresham Technologies plc in November 2016. Gresham Technologies plc was founded in 1969 and is headquartered in London, the United Kingdom.
Temenos Group AG	Temenos Group AG, together with its subsidiaries, develops, markets, and sells integrated banking software systems to financial institutions worldwide. It offers core banking platform for financial institutions; analytics and reporting solutions; Front Office, an integrated, role-specific, and multi-channel solution that supports banks' daily interactions and long term relationships with their retail, corporate, mass affluent, and UHNW customers; and breaking channels solutions, which enables its clients to deliver products and services for business line through self-service and assisted channels for bank staff and customers. The company also provides risk and compliance solutions that enable financial institutions to navigate the regulatory landscape; financial crime solutions, which combat financial crime for banks, and large and small businesses; payment solutions; and funds and securities solutions. In addition, it offers RetailSuite, an integrated banking software solution for retail banks; WealthSuite, an integrated software solution for wealth managers; CorporateSuite products for corporate banking needs; UniversalSuite, an integrated banking software solution for universal banks; IslamicSuite services for Islamic banking; MicroBankingSuite, an integrated banking software solution for microfinance institutions and banks; and FundSuite, a fund administration software for fund accounting, portfolio accounting, and investor servicing and transfer agency. Temenos Group AG was founded in 1993 and is headquartered in Geneva, Switzerland.
Blucora, Inc.	Blucora, Inc. provides technology-enabled financial solutions to consumers, small business owners, and tax professionals in the United States. The company operates through two segments, Wealth Management and Tax Preparation. The Wealth Management segment provides an integrated platform of brokerage, investment advisory, and insurance services to financial advisors. The Tax Preparation segment offers digital tax preparation solutions through TaxAct.com; and ancillary services, such as refund payment transfer, data archive services, audit defense, stored value cards, and other add-on services. It also provides professional tax preparer software; and Web and mobile-based financial management software. The company was formerly known as InfoSpace, Inc. and changed its name to Blucora, Inc. in June 2012. Blucora, Inc. was founded in 1996 and is headquartered in Bellevue, Washington.
StatPro Group plc	StatPro Group plc develops, markets, and distributes software systems; and provides Web-based portfolio analysis and asset pricing services to the asset management industry primarily in Europe, South Africa, the Asia Pacific, and North America. It provides StatPro Revolution, a cloud-based portfolio analysis platform that offers investor analytics, portfolio analytics and reporting, risk limits and commitment leverage monitoring, portfolio analysis reporting and data extraction, user management and cloud sharing information, and portfolio data management. The company also provides hosted analysis products, such as asset valuation, which offers information on reference data, corporate actions, industry classification codes, and asset pricing; investment portfolio management software that supports trade decisions, execution, record-keeping, NAV calculation, invoicing, and client and management reporting; equity and fixed income attribution tools measuring returns, contributions to return, and attribution effects; and a portfolio risk assessment tool. In addition, its hosted analysis products also include StatPro Composites, a multi-lingual and multi-currency tool for composite and account reporting to achieve and maintain global investment performance standards compliance; governance solution, which provides the ability to monitor business critical compliance and disclosure functions; and portfolio analytics reporting, a tool to create and customize performance reports. Further, the company provides managed services. The company serves asset managers, brokers and bankers, custodians and administrators, hedge funds and multi managers, pension funds, and private wealth firms.

Company	Description
	StatPro Group plc was founded in 1994 and is headquartered in London, the United Kingdom.
Envestnet, Inc.	Envestnet, Inc., together with its subsidiaries, provides financial and wealth management technology and services to financial advisors, investors, and financial service providers in the United States and internationally. It operates through Envestnet and Envestnet Yodlee business segments. The company's product and services suites include Envestnet Advisor Suite, which enables advisors to manage their practice and advise clients; Envestnet PMC (Portfolio Management Consultants), which engages in research and consulting services to provides support for financial advisors to address clients' needs, as well as to create investment solutions and products; and Envestnet Tamarac that provides a portfolio of accounting, rebalancing, trading, performance reporting, and client relationship management software, primarily to high-end RIAs. Its product and services suites also include Envestnet Retirement Solutions (ERS), which offers a suite of services for retirement plan professionals; Envestnet Vantage, which provides enterprise data solutions for financial institutions, aggregates and manages investment data, and provides multi-custodial consolidated performance reporting and benchmarking; Envestnet Finance Logix, which provides financial planning and wealth management software solutions to banks, broker-dealers, and RIAs; and Envestnet Advisor Now, which provides private-labeled investor-facing technology that enables advisors and institutions to deliver a complete digital wealth management solutions to their clients. In addition, the company provides Envestnet Yodlee data aggregation and data analytics platform, which offers cloud-based innovation for digital financial services for customers, including financial institutions, Internet services companies, and third-party developers of financial applications. Envestnet, Inc. was founded in 1999 and is headquartered in Chicago, Illinois.

Source: S&P Global

Appendix C – Glossary

\$ or A\$	Australian dollars
ADI	Authorised Deposit-taking Institution
APRA	Australian Prudential Regulation Authority
ASIC	Australian Securities Investment Commission
ASX	Australian Securities Exchange
APES 110	Code of Ethics for Professional Accountants
ATO	Australian Taxation Office
Corporations Act	Corporations Act 2001
DCF	Discounted cash flow
FOFA	Future of Financial Advice
FinTech	Financial technology industry
FSG	The Financial Services Guide
FY	Financial Year
FY11	Financial Year ended 30 June 2011
GTCF, Grant Thornton or Grant Thornton Corporate Finance	Grant Thornton Corporate Finance Pty Ltd
IRESS	IRESS Limited
Offer Price	Consideration proposed to be paid for each Rubik Share by Temenos
p.a.	Per annum
Proposed Transaction	The proposed purchase of all outstanding shares of Rubik by Temenos
R&D	Research and Development
RG 110	Regulatory Guide 110 Share buy-backs
RG 111	Regulatory Guide 111 Content of expert's report
RG 112	Regulatory Guide 112 Independence of experts
Rubik or the Company	Rubik Financial Limited
Rubik Share	An ordinary equity share issued by Rubik
Rubik Shareholder	An individual/ institution holding a share issued by Rubik
SaaS	Software as a Service
Scheme	Scheme of arrangement by which the Proposed Transaction will be implemented
SID	Scheme Implementation Deed
Stargate	Stargate Information Systems Pty Ltd
Temenos	Temenos Group AG
Viburnum	Viburnum Funds Pty Ltd as manager of Viburnum Funds Pty Ltd ATF VF Strategic Equities Fund
VWAP	Volume Weighted Average Price

Attachment F Sample Proxy Form

Lodge your proxy:



Online:

www.investorvote.com.au



By Mail:

Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:

(within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000

RFL

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Proxy Form

XX



Lodge a proxy and view the Scheme Booklet online

- Go to www.investorvote.com.au or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to lodge a proxy.

Your access information that you will need:

Control Number: 9999999

SRN/HIN: I9999999999

PIN: 99999

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.



 **For your vote to be effective it must be received by 10:00am (Sydney Time) Monday, 24 April 2017**

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions for Postal Forms

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO LODGE A PROXY, →
or turn over to complete the form**

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

☐

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

Proxy Form

Please mark ☒ to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Rubik Financial Limited hereby appoint

☐

the Chairman
of the Meeting **OR**

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Scheme Meeting of Rubik Financial Limited to be held at the offices of Rubik at Level 10, 85 Castlereagh Street, Sydney, New South Wales on Wednesday, 26 April 2017 at 10:00am (Sydney Time) and at any adjournment or postponement of that meeting.

STEP 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

Resolution 1 Scheme Resolution

For

Against

Abstain

☐☐☐

The Chairman of the Meeting intends to vote undirected proxies in favour of the item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on the resolution, in which case an ASX announcement will be made.

SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact
Name

Contact
Daytime
Telephone

Date / /

R F L

9 9 9 9 9 9 A

Computershare

