



CLARIUS GROUP LIMITED

AND CONTROLLED ENTITIES

AGM Presentation
November 2016
ABN 43 002 724 334

Agenda



- Review of FY16
- Market outlook
- Key strategic initiatives

Company overview



- ignite provides talent services
 - Specialist recruitment - permanent and contracting placements
 - On-demand and outsourced people services
- 250+ employees, 100+ in China
- 11 Cities across Australia and China
- Diversified quality client base

Foundation brands:

alliance
recruitment

candle

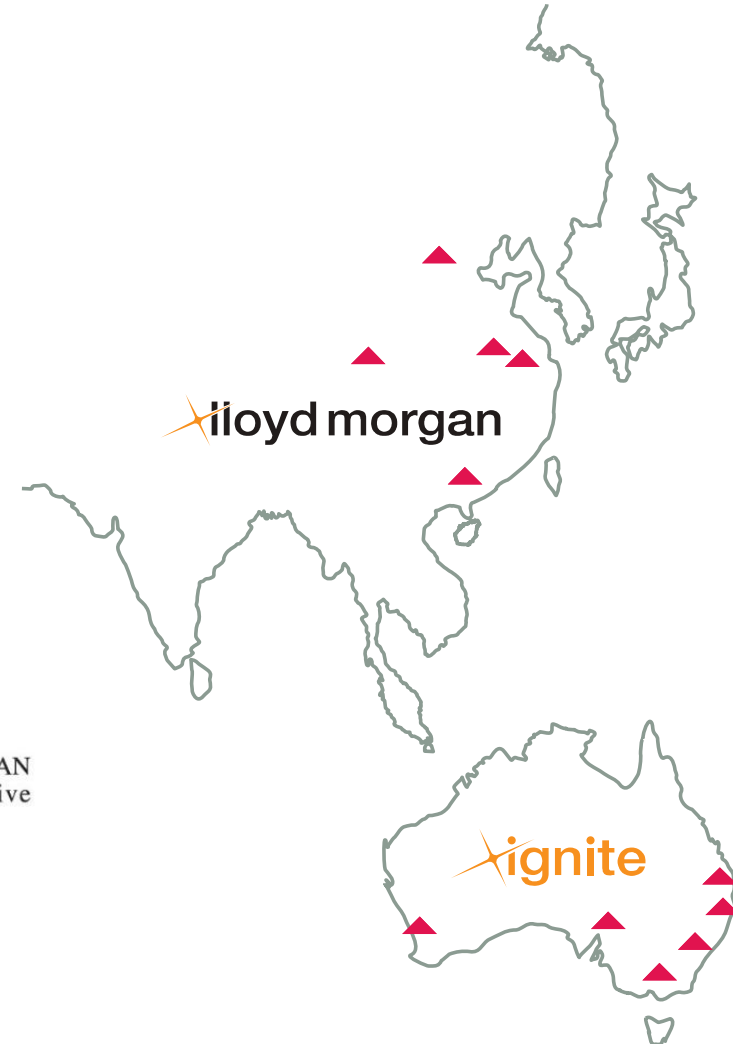
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LLOYD MORGAN
Executive

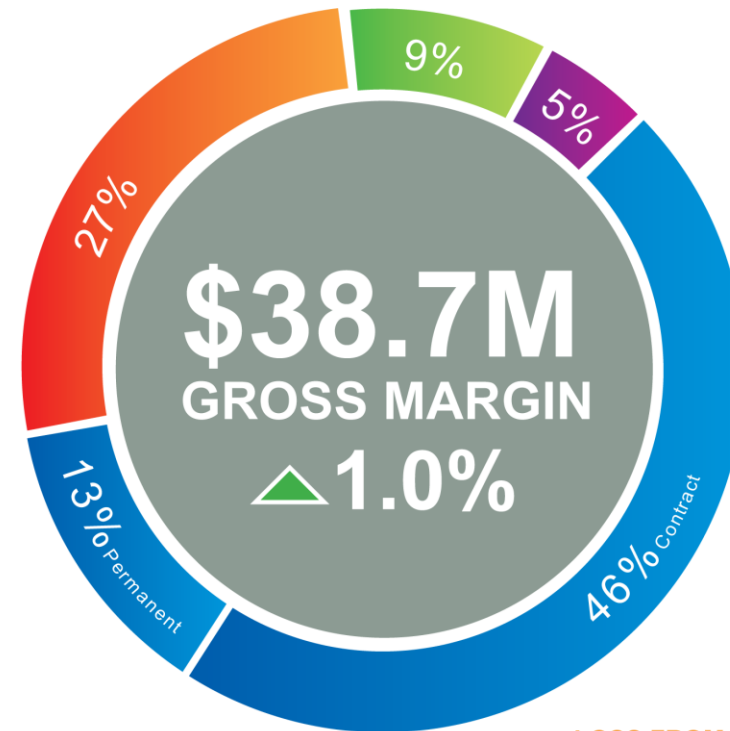
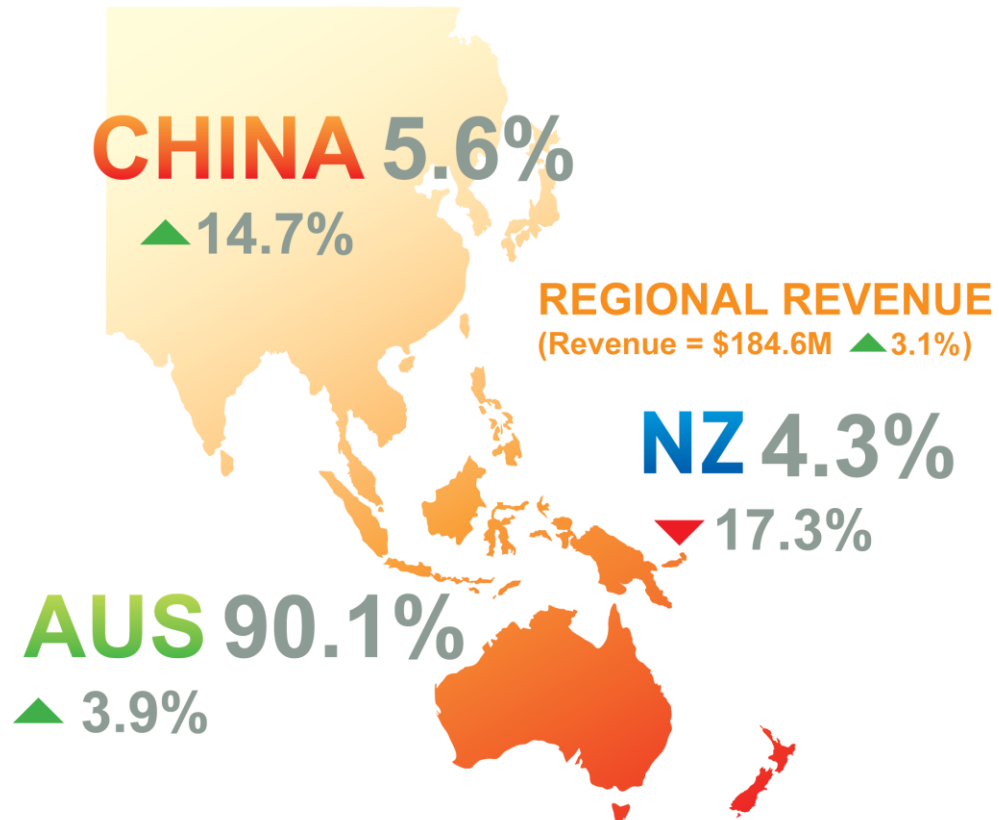
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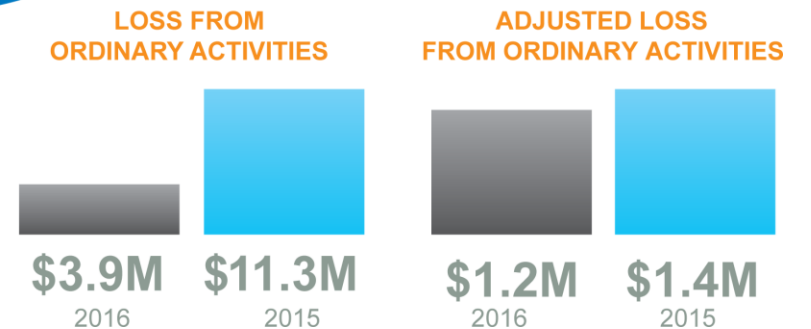
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FY16 Financial summary



59% SPECIALIST RECRUITMENT
27% CHINA
9% ON-DEMAND
5% OUTSOURCED PEOPLE SERVICES



Financial review



A year of significant progress, realised improvement, and new challenges.

Key Performance Metrics

	FY16 \$M	FY15 \$M	% CHANGE
Year Ended 30 June 2016			
Statutory Revenue	184.6	179.0	3.1%
Gross Profit	38.7	38.3	1.0%
Gross Profit Margin	21.0%	21.4%	(2.0%)
Loss for the Year Attributable to Owners of the Company	(3.9)	(11.3)	
Add: One-off Costs, Provisions and Write Downs	2.7	9.9	
Adjusted (Loss) After Tax	(1.2)	(1.4)	
Operating Cash Inflow/(Outflow)	0.5	(1.0)	
Net Assets	20.6	24.5	

- De-recognition of deferred tax assets \$1.8M
- Positive cash-flow
- Legacy debtor issues addressed
- Refinanced with improved funding lines
- Normalised loss (\$0.4M)

Performance review



- Strong growth in China and ACT
- Solid performance in NSW
- Performance issues in Victoria
- NZ operations closed
- Fee earner productivity growth
 - 6% growth in AUS, 21% above industry average*
 - 31% growth in China
- Employee engagement improved

*Source: Shortlist

Market outlook



- Competition in the recruitment industry is more intense than ever
- Part-time jobs continue to rise driving employment growth
- Momentum on the Eastern seaboard has eased
- ACT continues to show a rising trajectory
- China growth - shift to local emerging enterprise
- HR Services is the next wave of outsourcing
- Digital HR changes the way we serve our employees



Sources: ANZ Research, NAB Group Economics, ABS, RBA, IBISWorld, Deloitte

Key strategic initiatives



We have made significant progress and our transformation continues.

- Company rebrand
- Simplified operating structure
- IgniteFIT Platform-as-a-Service
- China super-regions
- Ongoing platform improvements



Company rebrand



We began with a vision...“To reimagine Talent Services”

- One group culture
- Address global trends in talent
- Create a consistent client experience
- Build a brand that is a magnet for talent
- Invest marketing budget more effectively
- Deeper connection and return for our audiences
- Launch new services under a simplified brand architecture



Simplified operating structure



ignite provides talent services

- Specialist recruitment,
- On-demand, and
- Outsourced people services
- ignite International - China

**Diversification
Differentiation**



IgniteFit Platform-as-a-Service



The era of digital HR has arrived ... Changing the way we serve our employees.

- Addressing industry shift in HR approaches
- Continuous Conversation Framework (Beta)
 - PaaS Performance Management
- Ignite greater employee potential
- Initial pilot discussions



China opportunity shines



- 2 super-regions addressing market complexity
- Self funding growth > \$1.0M in FY16
- 3 new office upgrades
- Shift from multinational clients
- Attracting industry best talent
- Strong industry diversification
- Profitable



Ongoing platform improvements



- 10+ year under investment in technology
- Optimised and de-risked platform
 - Next generation security/network, Office 365, Azure
- Front office recruitment platform
 - Mobile and integrated - Implementation 2017
- Realise further back-office savings
 - Consolidated pay-runs – 50% reduction
 - 18% back-office efficiency gains
 - Legacy contractual deliverables





Thank you

Questions?