



Rubicon

INVESTOR UPDATE

28 November, 2016

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1. RUBICOR GROUP – A RECAP

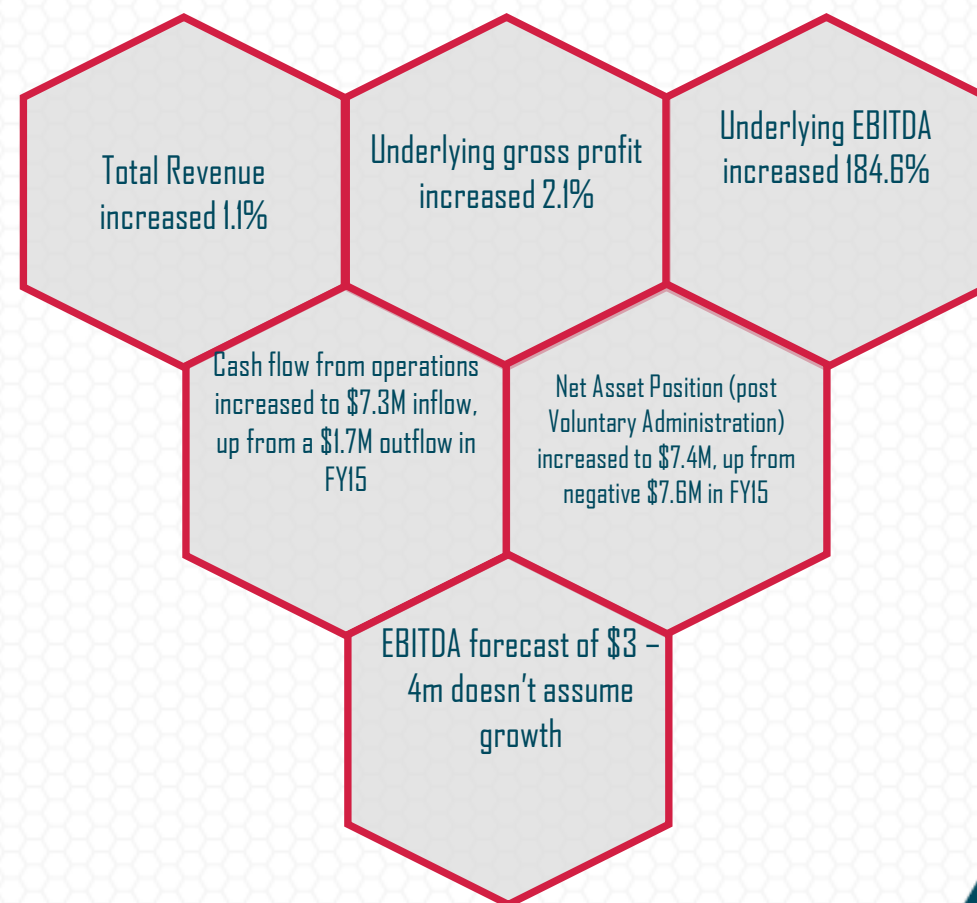
RECENT TIMELINE

- 22 JUNE 2015 – BOARD AND MANAGEMENT CHANGES & 100 DAYS ACTION PLAN COMMENCEMENT
- 20 AUGUST 2015 – CURRENT BOARD COMPOSITION COMMENCED
- NOVEMBER 2015 – CAPITAL RAISING (RIGHTS ISSUE AND PLACEMENT)
- CY16 – SIGNIFICANT RESTRUCTURE PROGRAM
- 3 JULY 2016 – VOLUNTARY ADMINISTRATORS APPOINTED
- 8 AUGUST 2016 – VOLUNTARY ADMINISTRATION COMPLETED
- Dec 2016 – RESTRUCTURE COMPLETED

2. FINANCIAL RESULTS

	FY16	FY15	% Change
Total Revenue	206.5	204.3	1.1%
NDR (Gross Margin)			
Statutory (\$M)	38.5	38.1	
Underlying (\$M)	38.5	37.7	2.1%
EBITDA			
Statutory (\$M)	-3.5	-1.4	
Underlying (\$M)	3.7	1.3	184.6%
NPAT attributable to equity holders			
Statutory (\$M)	-7.5	-4.4	
Underlying (\$M)	-0.1	-1.3	-92.3%
Earnings per share			
Statutory (cents)	-3.1	-3.4	
Underlying (cents)	0	-1	-100.0%

SUMMARY & HIGHLIGHTS



3. VOLUNTARY ADMINISTRATION

LEGACY DEBT ISSUES:

- X:pand, Challenge, and Locher all carried severe legacy debt issues that materially impaired their balance sheets.



A DEED OF COMPANY ARRANGEMENT (DoCA) PROPOSED:

- The indemnification of the entities' liabilities;
- The full payment of the Scottish Pacific facility;
- The assumption and confirmation of all employee entitlements and liabilities; and,
- A payment of \$1.8 million to fund the VA process and provide a return to unsecured creditors.



ACCEPTANCE OF DoCA:

- On 8 August, 2016, at the second meeting of creditors, the Deed of Company Arrangement was agreed to and ratified by creditors.
- This acceptance meant that the control of the three companies was returned to Rubicor, and their balance sheets were no longer impaired.



RUBICOR NET ASSET POSITION

-\$7,600,000



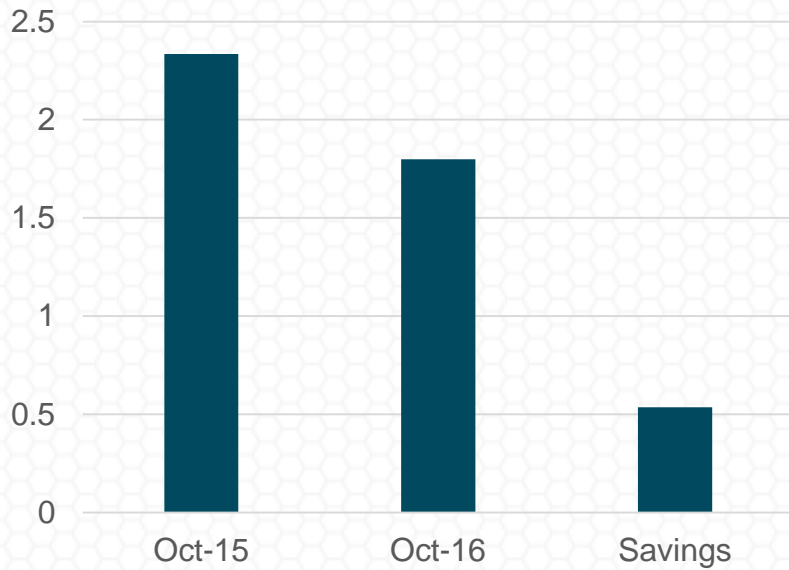
\$15,000,000 increase



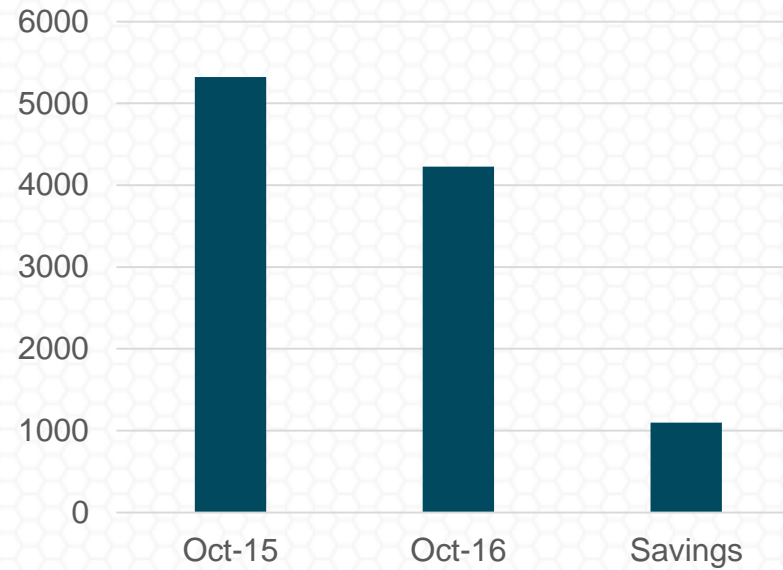
+\$7,400,000 (approx.)

4. OPERATIONAL COST SAVINGS

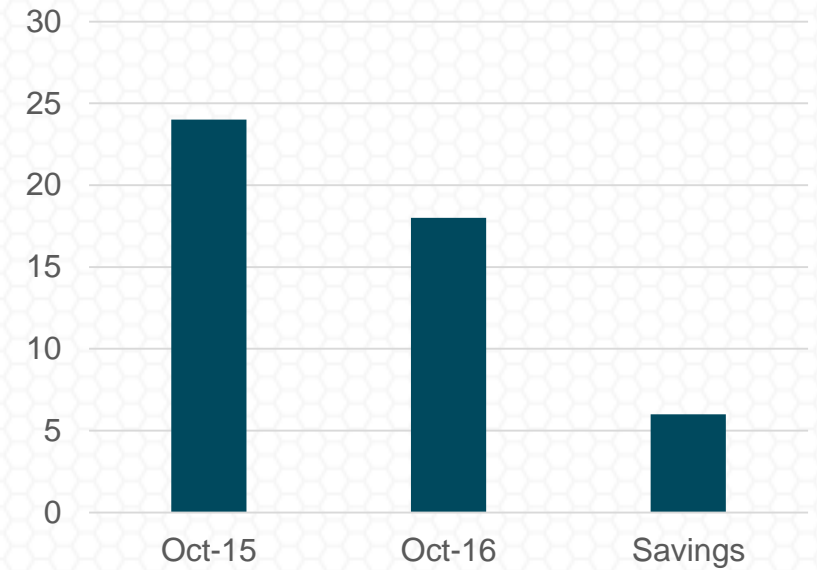
Total Spend (\$M)



Total Floor Space (m²)



Floor Space/employee (m²)



LEASE STATUS AT OCTOBER 2015

- Total spend was over \$2.3M
- Total leased floor space was 5,323m²
- There were 218 employees
- 24m² of floor space per employee



LEASE STATUS AT OCTOBER 2016

- Total spend was under \$1.8M
- Total leased floor space was 4,225m²
- There were 227 employees
- 18m² of office space per employee



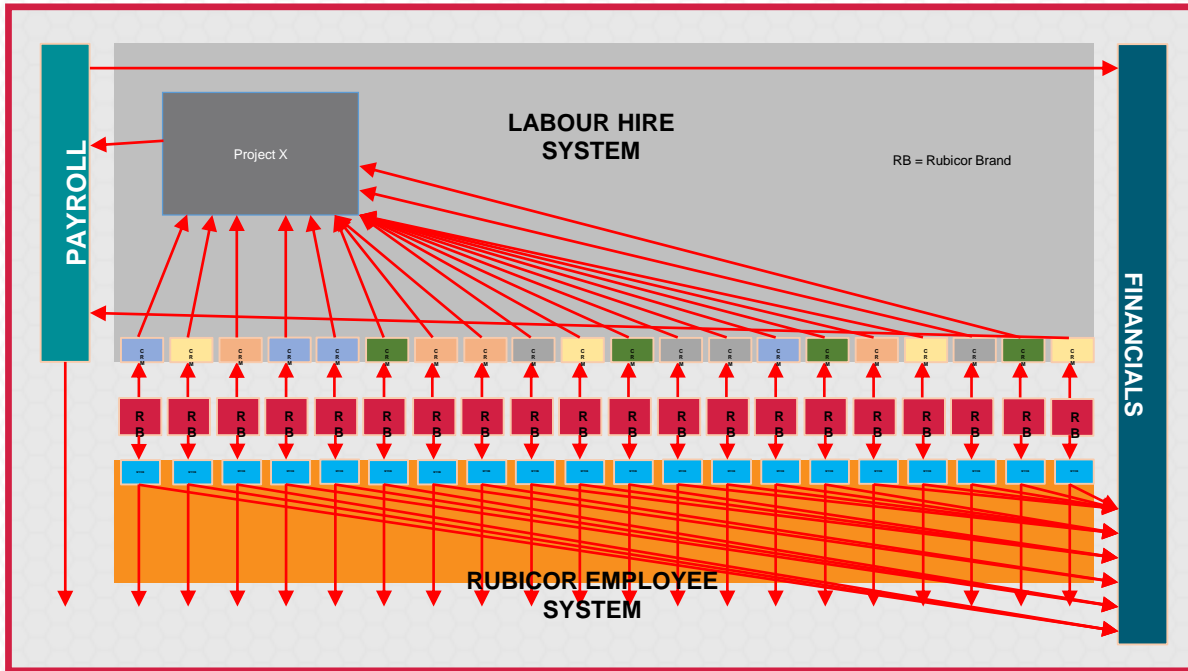
SAVINGS FROM OCT15 TO OCT16

- Saved over \$500K in ongoing leases
- Reduced leased floor space by 1,098m²
- Reduced floor space per employee by 25%
- Saved an additional \$575K in a one-off lease termination



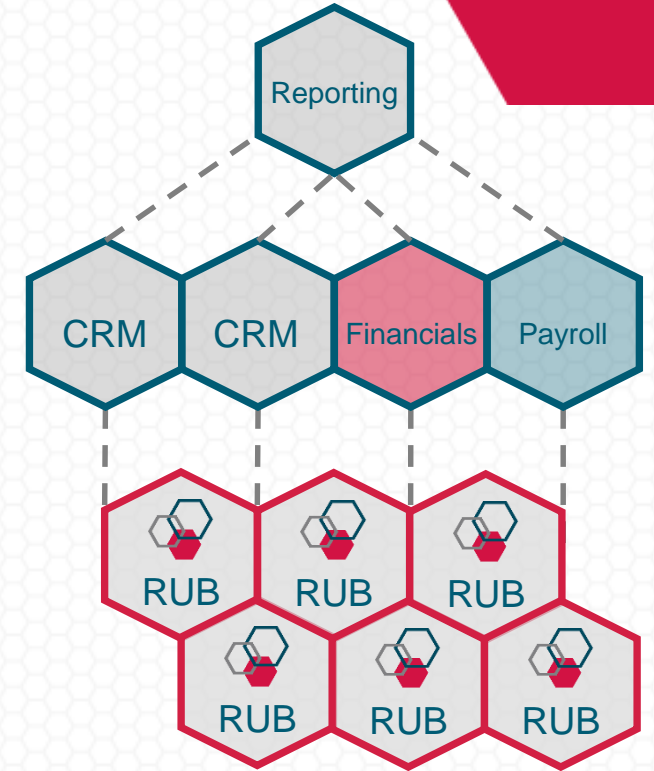
Rubicor
CONNECTED PEOPLE

5. IT SYSTEMS & OPERATIONAL PLATFORM



OLD IT SYSTEMS

- 5 CRMs
- 16 incompatible databases
- Multiple, convoluted payroll systems
- No consolidated reporting



NEW IT SYSTEMS

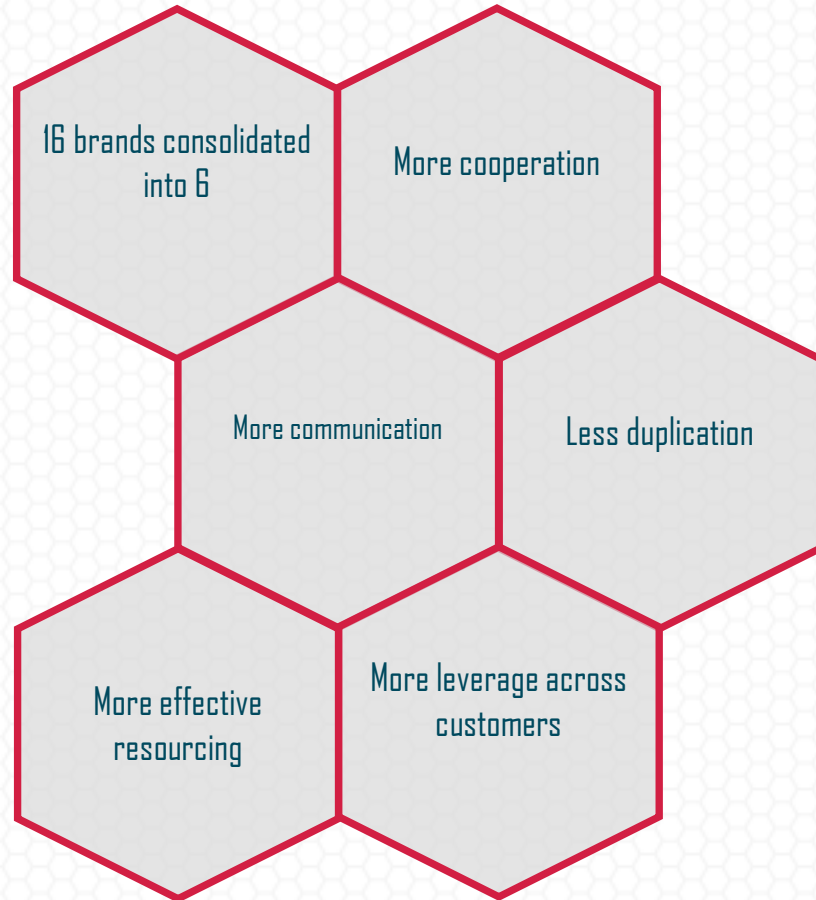
- 2 CRMs
- 6 compatible databases
- 1 streamlined payroll system
- Consolidated reporting tools across the group

UPGRADED INFRASTRUCTURE

- New servers
- New data connections
- New phone systems
- New video conferencing facilities
- Achieved while saving \$600,000 over 3 years

6. CONSOLIDATE BRAND STRATEGY

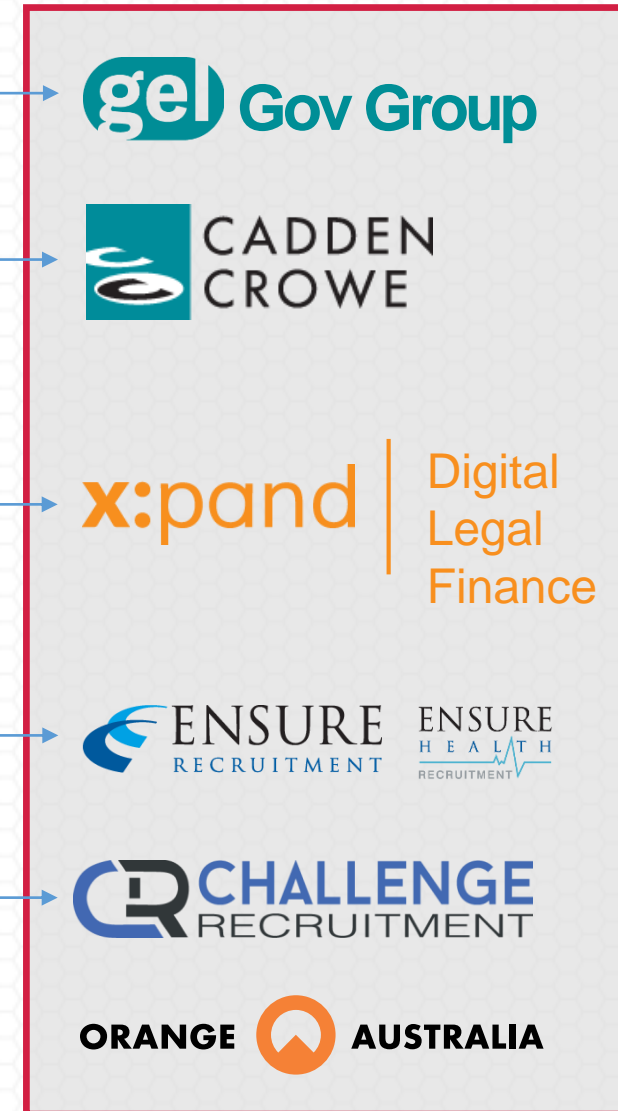
SUMMARY & HIGHLIGHTS



PAST STATE

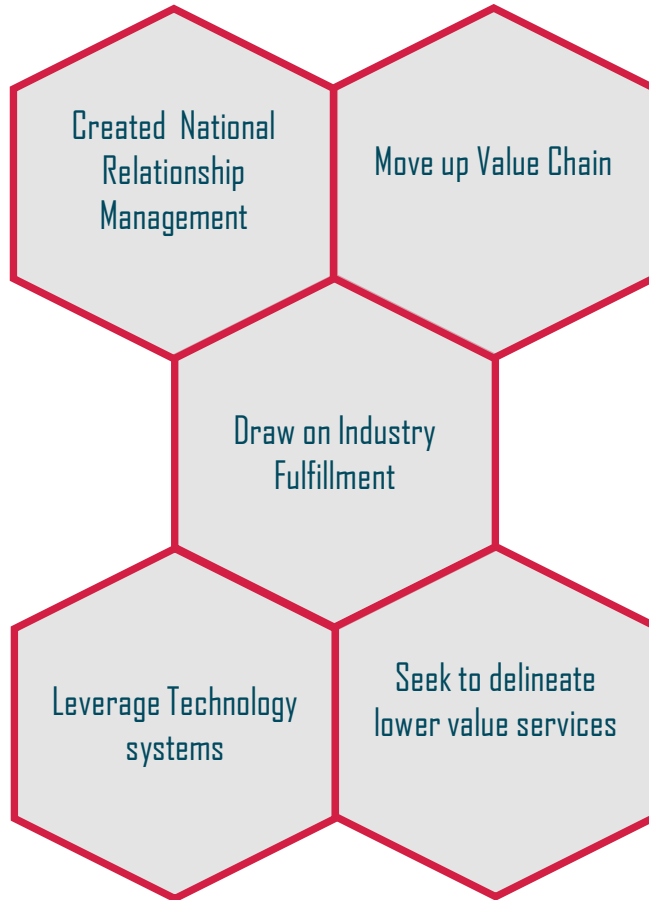


FUTURE STATE



7. REFINE MARKET ENGAGEMENT STRATEGY

SUMMARY & HIGHLIGHTS



PAYROLLING

INDUSTRY SPECIFIC FULLFILLMENT

NATIONAL CLIENT FULLFILLMENT AND RECIUTMENT PROCESS OUTSOURCING

HUMAN RESOURCES TECHNOLOGY

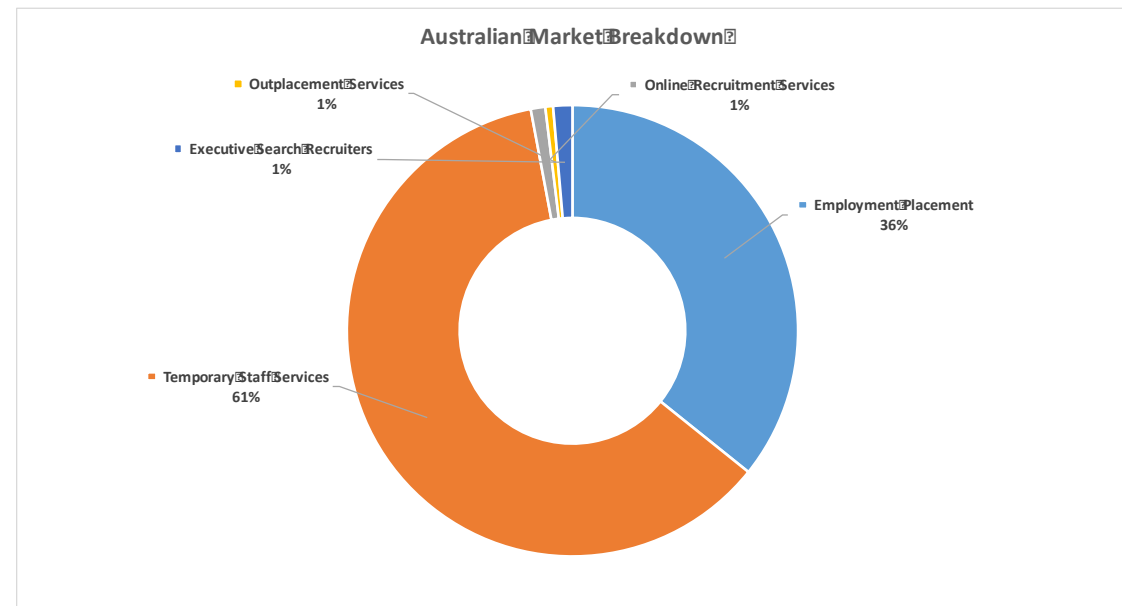
Human Resources Value Chain




8. GROWTH STRATEGIES

AUSTRALIAN MARKET - ANALYSIS

Billions\$							
Australian Market Analysis	Revenue	Profit	Profit%	Wages	Growth 12/17	Growth 17-22	No# Businesses
Employment Placement	11.50	0.80	7%	7.00	-0.40%	2.50%	7061
Temporary Staff Services	19.70	1.10	6%	13.60	2.20%	2.40%	6482
Online Recruitment Services	0.34	0.14	40%	0.10	3.80%	3.70%	37
Outplacement Services	0.18	0.03	19%	0.09	6.60%	1%	280
Executive Search Recruiters	0.44	0.04	10%	0.27	3.70%	3.50%	219
Total	32.16	2.12	7%	21.06			



- Investing in hiring people in key positions; GM Group Sales, National Tender Team, Country Manager Singapore and leaders of our businesses
- Leverage our other Brands into our top customers
- Target proactively the top spenders in Recruitment services in Australia
- Develop plans to take market share from our competitors
- Develop unique and competitive solutions
 - Accelerate RPO offering to drive penetration across our Brands
 - Payroll solutions
 - Vendor Management Offerings/Partnerships
- Grow our Government footprint in under represented States (NSW, Vic, and Qld)
- Capture the great things happening within our Brands and leverage across broader business
 - X:pand's RPO offerings, Locher's PP capability, et al
- Opportunistic acquisitions – ORANGE Australia

9. 2017 AREAS OF FOCUS

- 1. Continue Execution of 3 Stage Turn-Around**
- 2. Complete Final Elements of Stage 1 Restructure by Dec 2017**
- 3. Install Best in Industry Business As Usual Culture (Stage 2 Milestones)**
 - Create and live Risk Management Culture
 - Continual refinement of operating costs (through technology, process improvement and supplier management)
 - Continual focus on Margin Improvement and Earning Predictability (through increased focus on contracting and stable/growing industry segments, such as Government)
- 4. Accelerate and Focus on Developing Growth Opportunities and Framework (Re-Cap from item 8)**
 - Build out national client relationship management and RPO channels - GM Group Sales, National Tender group, Singapore Country Manager
 - Invest in and attract higher performing talent
 - Leverage growth from intangible assets – including underserviced panel clients and candidate databases
 - Use technology to create greater value for Clients – Utilise existing or proprietary technology to become more relevant and valuable to existing and prospect clients
- 5. Opportunistic Acquisitions – Orange Australia (as referred to in item 8)**
- 6. Build out Board of Directors - with skills in growth areas**
- 7. Continue to review Capital Management Initiatives – to accelerate growth and reward shareholders**

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Questions?

Thank you.