



Clarius Group Limited and Controlled Entities

AGM Presentation for the Full Year Ended 30 June 2014

ABN 43 002 724 334

Presented by: Garry Sladden, Chairman

Overview

- Offices in Australia, New Zealand, Singapore and China
- House of specialist brands with focus on IT, Accounting, Banking and Finance, Corporate Services, Engineering, Records and Information Management, Sales and Marketing
- Permanent, Contract and Temporary placements
- 15 Cities, 38 offices, 350 Employees.





Financial Results



Summary	June 2014	June 2013
Revenue	\$179.4m	\$225.3m
Gross Margin	\$37.1m	\$37.5m
Operating loss	\$2.3m	\$41.6m
Loss before taxation	\$2.5m	\$41.8m
Loss after taxation	\$1.7m	\$42.2m
Basic loss per share (cents)	1.87 cents	47.15 cents
Net cash	\$2.5m	\$0.2m
Net assets	\$35.5m	\$37.0m

Financial Results



Profit and loss	June 2014	June 2013
Total Revenue	\$179.4m	\$225.3m
Gross Margin	\$37.1m	\$37.5m
Employee Benefits Expense	\$28.2m	\$27.0m
Depreciation and amortisation	\$1.0m	\$1.0m
Restructuring Costs	\$0.3m	\$0.7m
Rental expense	\$3.7m	\$3.5m
Other Overheads	\$6.1m	\$6.0m
Finance Costs	\$0.2m	\$0.2m
Net Loss after Tax (excluding impairment)	\$1.7m	\$0.9m

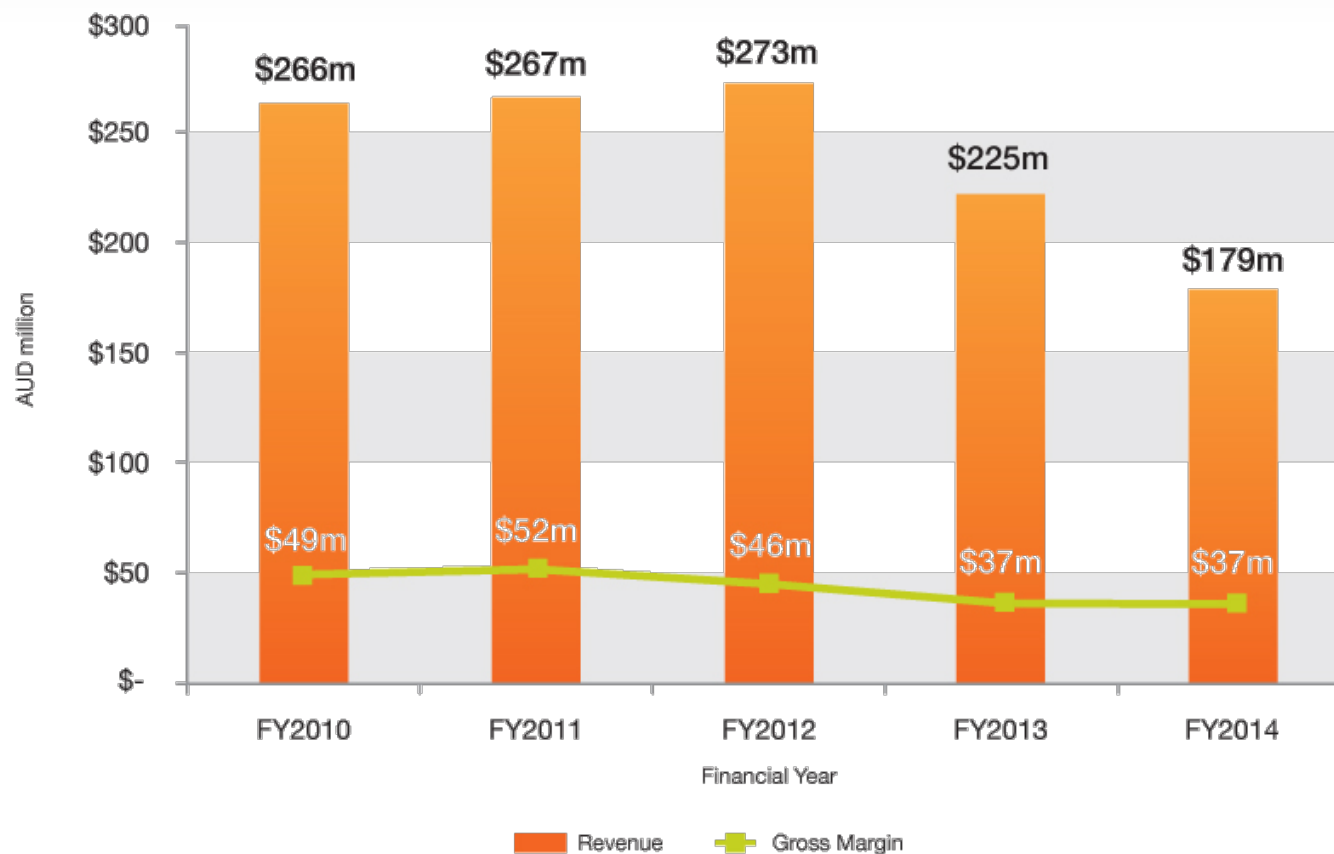


Financial Position



Balance Sheet	June 2014	June 2013
Intangible Assets	\$3.0m	\$2.5m
Trade Receivables	\$48.9m	\$48.8m
Cash at Bank	\$2.5m	\$1.0m
Bank Borrowings	Nil	\$0.7m
Provisions	\$3.1m	\$2.5m
Total Equity	\$35.5m	\$37.0m

Revenue and Gross Profit Margin





Group Revenue Mix

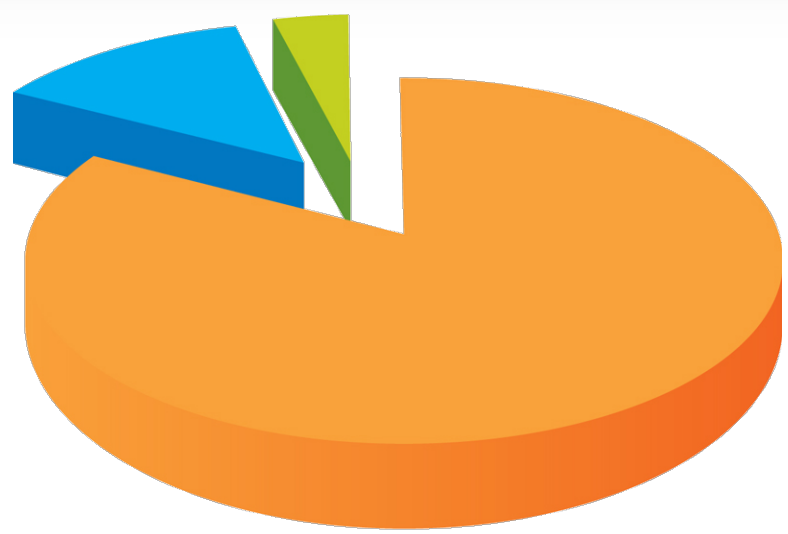


2014



- 86% Recruitment Services
- 9% Managed Services
- 5% IT Services

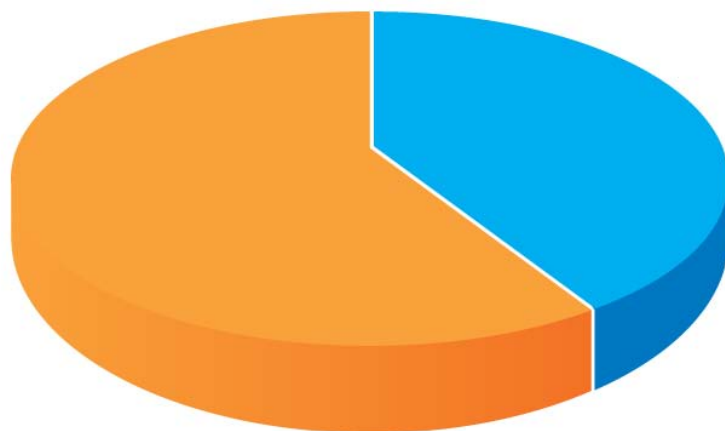
2013



- 83% Recruitment Services
- 13% Managed Services
- 4% IT Services

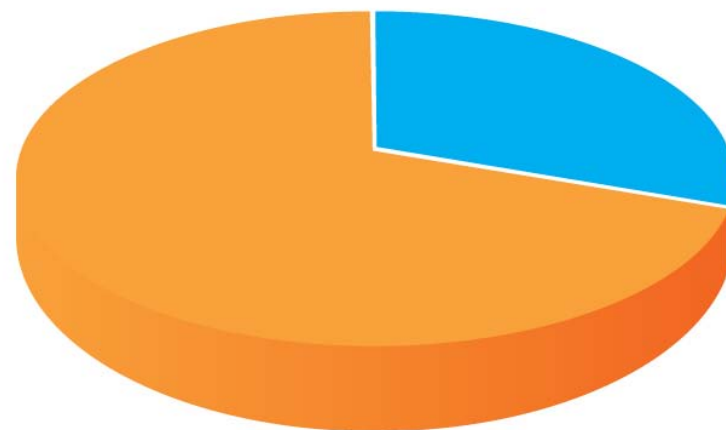
Gross Margin Mix

2014



60% Contracting 40% Permanent

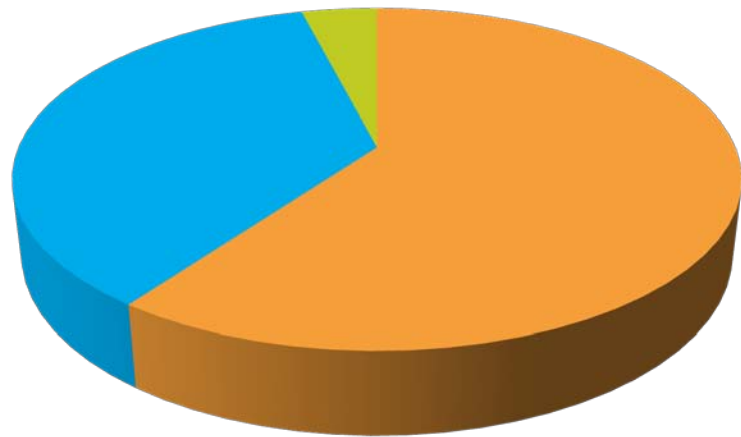
2013



70% Contracting 30% Permanent

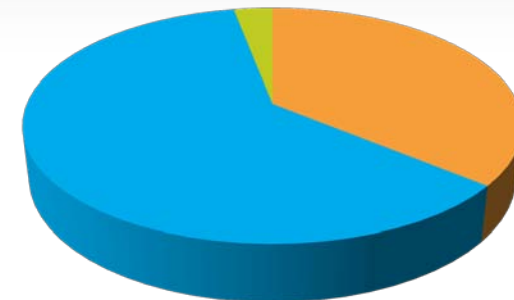
Permanent Revenue Mix

2014



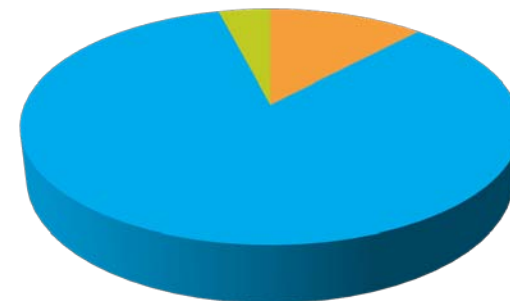
Asia - 60% Australia - 36% New Zealand - 4%

2013



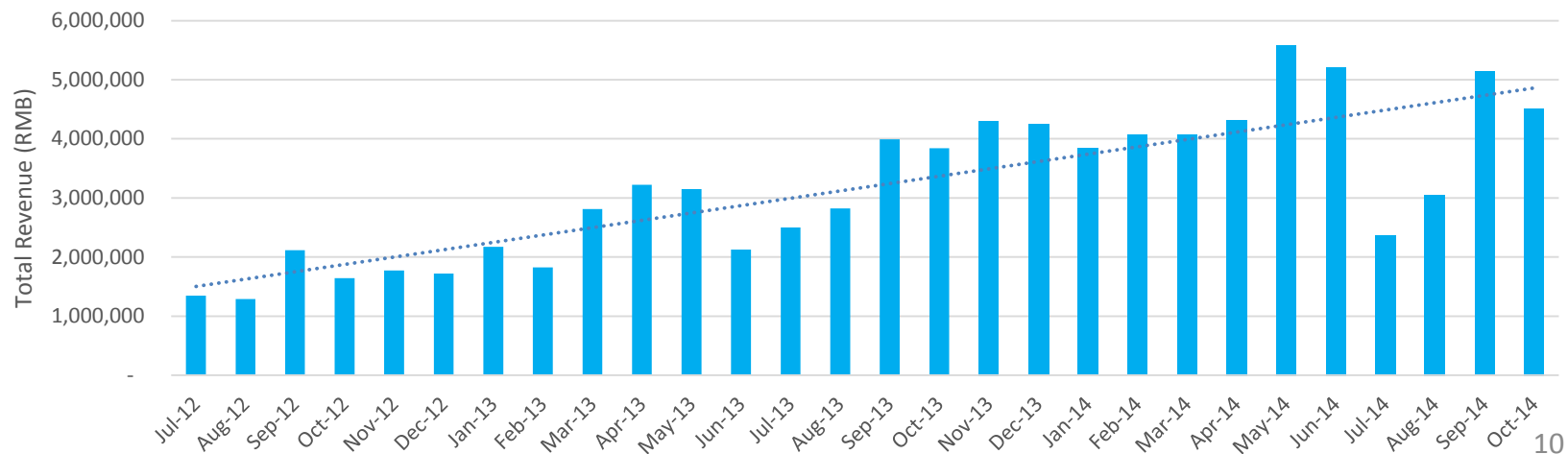
Asia - 36% Australia - 61% New Zealand - 3%

2012



Asia - 12% Australia - 84% New Zealand - 4%

- 144 staff – offices in Beijing, Chengdu, Guangzhou, Shanghai (Pudong & Puxi), and Suzhou
- Dominant market presence in Retail Luxury and Financial Services
- Revenue continues to grow (120% growth between FY13 and FY14)
- FY15 forecast – driving sustainable profitability
- Changed revenue reporting policy from July 2014 to start date



- Board changes
- Executive Management team changes
- New CFO
- Greater focus on profitable revenue lines
- Focus on costs and efficiencies
- Clarius innovations road map defined
- Further expansion into China regional cities

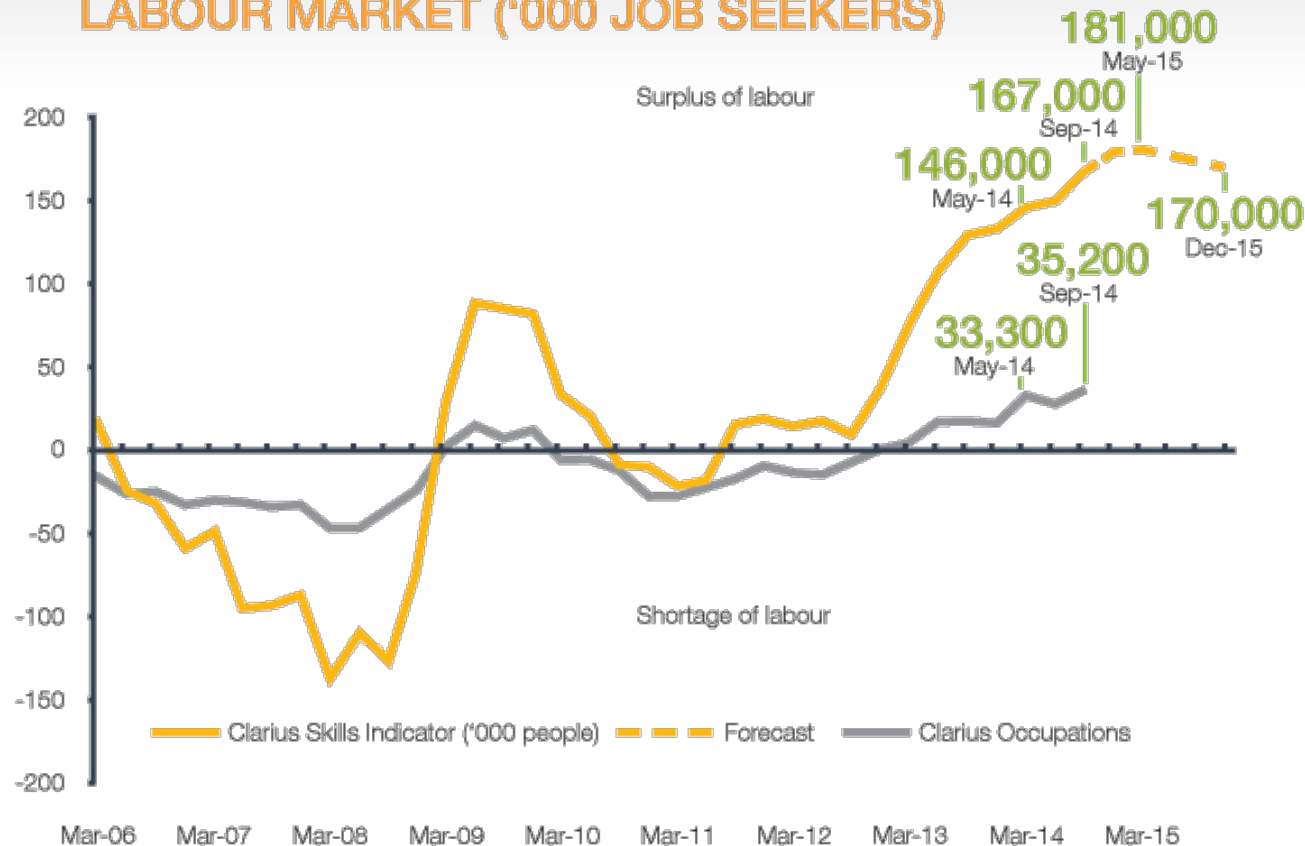
Achievements since 30 June 2014



- Appointment of new CEO – Mr. Peter Wilson
 - Follows after an extensive search and interview process
 - New leadership for the future of the Group
- Appointment of new Board member – Mr. Julian Sallabank
- Appointment of new senior and other Group employees to drive the business forward
- Investment in Clarius Innovations
- Significant focus on ensuring we operate a lean and efficient operation
 - Flattening of reporting lines and roles
 - New Group structure
 - Reduction in other costs

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CLARIUS SKILLS INDICATOR FOR THE AUSTRALIAN LABOUR MARKET ('000 JOB SEEKERS)



Sources: Independent Economics, Commonwealth Department of Employment, ABS

Note: All data are seasonally adjusted, which means quarter on quarter comparisons are valid. This is important, because it allows the reader to track how the labour market is evolving during the year.

Labour Market Outlook

UNEMPLOYMENT RATE: AUSTRALIA



AUSTRALIA

10yr AVG	OCT-14	NOV-15
5.1	6.2	6.1

10yr AVG	OCT-14	NOV-15
4.3	4.0	4.6

UNEMPLOYMENT RATES

10yr AVG	OCT-14	NOV-15
4.2	5.2	4.7

10yr AVG	OCT-14	NOV-15
5.4	6.7	6.5

10yr AVG	OCT-14	NOV-15
5.3	6.8	6.7

10yr AVG	OCT-14	NOV-15
5.9	6.9	6.9

10yr AVG	OCT-14	NOV-15
5.0	7.0	6.8

10yr AVG	OCT-14	NOV-15
5.2	5.7	6.1

10yr AVG	OCT-14	NOV-15
3.4	5.4	5.0

Peter Wilson - CEO



- Background
- Reason for joining Clarius
- Opportunities

- Return to sustained performance
- Simplify our business model, structure and processes – lean & agile
- Redefine our purpose and expected behaviours – performance culture
- Continue to modernise our technology platform – “Clarius Innovations”
- Leverage our existing footprint – candidates and clients
- Look to introduce new services beyond the traditional recruitment brief
- Attract innovative leadership

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