

1 May 2015

Dear Rubicor shareholder,

*As we have recently disclosed, we are very pleased with the improving performance and profitability of Rubicor evidencing the success of our strategy and ability to grow revenue, whilst cutting costs and enhancing our business mix and profile. For those shareholders who may not have seen the relevant disclosure we attach our three most recent announcements relating to this improvement and performance.*

*Despite this strong performance, one of our shareholders, Cashel Capital Partners Fund 1 Pte Ltd ("Cashel") based in Singapore, owning only 8.21% of the Company, represented by Angus Mason affiliated with Cashel House Group based in Melbourne, has called for a shareholders meeting to remove me as Director and Chairman, and Russel Pillemer as Director. We attach a copy of an announcement which was released to the market on Tuesday 28 April, 2015 explaining this.*

*Related to this, Cashel is seeking to appoint two of its nominees to the Rubicor Board. The Cashel nominees both have a core background in corporate finance and advisory, and claim to have extensive recruitment industry expertise. Cashel has also put into question the relevance of the experience of both myself and Russel who have been involved with the recruitment industry since 2007 and 2004 respectively.*

*We have previously resisted moves by Cashel and its affiliates and associates to gain control of the company without making an offer, and now this is another opportunistic attempt to do the same. We will be strongly recommending to shareholders that you oppose this move.*

*We can confirm that even before we have had the opportunity to contact many shareholders we already have the full support of shareholders representing 35% of the Company who will oppose this hostile move, including the two largest shareholders. We are progressing discussions with other shareholders who we expect will also support the company with the aim of securing support of more than 50% of the shareholders, which will mean this action has no prospect of succeeding.*

*At this stage no meeting has been called and we will communicate with you further if and when it is called. Of course we will respond to issues Cashel might raise, in support of its reasons for seeking to change the board, as appropriate. In the meantime, you do not need to do anything. You should expect direct communications from Cashel on this matter. We urge you to treat such communication with appropriate caution given what we believe their objectives are, and we will respond to any communications you receive from them.*

*From a business perspective, we continue to progress our strategy and growth plans and this distraction is not expected to have any impact on day to day operations other than unfortunately wasting time and money.*

*Should you have any further queries please do not hesitate to contact our investor relations team on +612 8061 0000.*

Yours sincerely



John Pettigrew  
Chairman



ASX Announcement

23 April, 2015

## Q3 FY15 Market Update Revenue and EBITDA improvement continues

Rubicor Group Limited (ASX:RUB) today announced the Company's trading performance for the third quarter of the current financial year. The unaudited results for the nine month period ended 31 March, 2015 are as follows:

- » Revenue up 2.3% to \$152.6m
- » Gross Profit (NDR) up 3.2% to \$28.0m
- » Underlying EBITDA up 66.8% to \$1.0m

These results reflect the success of the Group's operational restructure and the ongoing benefits from the streamlined operations and the scalability of the current operational platform.

In addition to ongoing operational improvements, Rubicor continues to pursue a range of growth strategies which are fundamental to achieving its medium term objectives. The following key outcomes were achieved in the third quarter:

- » **Asia Expansion:** Xpand commenced trading in Hong Kong in March, 2015. Xpand's presence in Hong Kong further cements Rubicor's focus on continued Asian expansion and in geographies experiencing significant growth.
- » **Technology roll-out:** The Group's technology transformation project remains on schedule, with the commencement of the back office roll-out in March. The implementation will continue across the remaining brands, and will be followed by the delivery of the enterprise level common database across the Group.
- » **Contracts:** All major contracts up for renewal throughout this period have been re-signed or extended.

"Given the current economic climate and challenges facing the recruitment industry, we are pleased with the results we have achieved. These results highlight the success of the Group's broader strategy, which is underpinned by a highly scalable and robust operational platform which continues to enhance our stability and overall performance. This structure and consistent growth, places Rubicor in a position to capitalise on potential growth opportunities in the market." Mr Kevin Levine CEO of Rubicor stated.

**Enquiries:**

Kevin Levine  
CEO, Rubicor  
Tel: 02 8061 0000

Kate Parker  
Head of Marketing & Communications, Rubicor  
Tel: 02 8061 0020



ASX Release

20 April 2015

## Rubicon announce further progress on strategic initiatives

Rubicon Group Limited (ASX:RUB) is pleased to announce that it has settled on the sale of two of its Wellington based, New Zealand brands, Powerhouse People and Care Direct, for a total consideration of approximately NZ\$630k plus transfer of employee entitlement liabilities. The sale is consistent with Rubicon's strategy of divesting brands that are unprofitable and/or operate in markets that have minimal growth potential, to ensure an effective streamlined brand approach to performing markets and ensure the Group is well placed for long-term sustainable growth.

The two brands contributed a combined A\$340k loss to underlying EBITDA for the half year period ended 31 December, 2014 and as such, the sales will result in a \$680k pro forma annualised improvement in underlying EBITDA.

In addition to the sale of these two brands, the operating structure of Locher People Performance was restructured during the first three months of this year resulting in annualised cost savings of approximately \$600k per year.

Rubicon is also now well into an exciting phase of their technology transformation project, having commenced the roll out of the back office component of the upgrade, most recently disclosed to the market in the half year results announcement made 25 February 2015.

The roll out of the enterprise level, common recruitment management platform, will improve revenue opportunities across the group as well as deliver annual cost savings in excess of \$1.0m through the rationalisation of the back office function. The technology upgrade, expected to be completed by August this year, will position the Company to continue to differentiate itself through its multi brand strategy alongside an underlying cost structure equivalent to that of running a single brand structure.

Since January 2013, Rubicon has reduced the number of brands by one third, from 22 down to 15. Rubicon's unique differentiator is a streamlined, specialist 'House of Brands' structure totally focused on the customer to position the Group to maximise market share, value and margins. Through this strategy, Rubicon brands specialise in, and are aligned to focus on industry sectors and verticals, and in this way offer a highly differentiated client value proposition. Combined with the benefits of the common recruitment management platform, Rubicon is able to deliver a streamlined, cost-effective and efficient operating structure to support the multi brand strategy. Refer to the Appendix below for a graphic representation of the House of Brands structure.

"Mr Kevin Levine, CEO of Rubicon said " It is pleasing that the brand initiatives, combined with the technology roll out which is progressing well, should improve underlying EBITDA by approximately \$2.3m on an annualised basis, assuming current market conditions. The majority of this improvement will occur in FY16 and is a reflection of our ongoing focus on restructuring the Group to improve our profitability".

In order to further enhance shareholder value and improve long term profitability, and distinct from the technology upgrade discussed above, Rubicor is working with Carthona Capital, as announced on 16 March 2015, to source new technology platforms and revenue streams to enhance the hiring process and add value to the core Rubicor recruitment service offerings.

Rubicor expects to update the market shortly with regard to its third quarter results and expects that these results will continue to reflect the ongoing improvement in operating performance as compared to the prior comparative period, reflecting both efficiency gains and improving market conditions.

We are continuing to progress preparations for the rights issue on the basis announced on 16 March 2015, and will provide an update on this shortly.

**Enquiries:**

Kevin Levine  
 CEO, Rubicor  
 Tel: 02 8061 0000

Kate Parker  
 Head of Marketing & Communications, Rubicor  
 Tel: 02 8061 0020

**Appendix – House of Brands structure**



**About Rubicor**

The Rubicor Group is one of Australasia’s largest recruitment services companies providing services throughout Australia, New Zealand, and South East Asia. Operating as a network of 15 specialist recruitment brands, the Group offers search, selection, bulk recruitment, professional and support level contracting services and organisational development.

Established in 2005, The Rubicor Group operates from 19 offices and specialists in the provision of permanent and contact recruitment across the Public and Private Sector including Digital, Technology & Media Communications, Medical, Health & Science, Financial, Professional & Business Services, Legal, HR and S&M, Industrial, Engineering, Resources, Trades & Hospitality, Business Support & Contact Centres.

The combined strength of our house of brands further cements Rubicor’s position as diverse and widely networked organisation with a consummate ability to match talent with global opportunities. More information is available at [www.rubicor.com.au](http://www.rubicor.com.au)

## Rubicon: Half year results to 31 December 2014

FINANCIAL SUMMARY	H1 FY15		H2 FY14	H1 FY14	H2 FY13	H1 FY13
	vs H1 FY14	H1 FY15				
Total Revenue (\$m)	+0.5%	102.2	96.3	101.7	111.2	126.5
NDR (Gross Margin)						
Statutory (\$m) <sup>1</sup>		19.3	18.8	107.1	18.1	21.6
Underlying (\$m) <sup>2</sup>	+4.9%	19.3	18.7	18.4	18.1	21.6
EBITDA						
Statutory (\$m) <sup>1,3</sup>		0.9	0.1	89.1	(2.3)	0.1
Underlying (\$m) <sup>2,4</sup>	+50.0%	0.9	0.7	0.6	0.3	1.3
NPAT attributable to equity holders						
Statutory (\$m) <sup>1,3</sup>		(0.6)	(1.6)	86.0	(12.2)	(12.2)
Underlying (\$m) <sup>2,4,5</sup>	0.0%	(0.5)	(0.5)	(0.5)	(1.9)	(1.5)

Rubicon Group Limited (ASX:RUB) is pleased to announce that in line with earlier guidance, Underlying EBITDA of \$0.9m for the half year period ended 31 December, 2014 is up 50% as compared to \$0.6m for the half year ended 31 December 2013. Statutory NPAT (net profit after tax) attributable to equity holders was a loss of \$0.6m, as compared to a profit of \$86.0m in the previous corresponding period (pcp), which included a gain on debt forgiveness of \$88.6m, arising from the restructure of the Group's debt facilities. On an underlying basis, there was a net loss after tax of 0.5m, in line with the pcp.

"The recruitment industry continues to operate within uncertain global and domestic economic conditions, which has contributed significantly to demand for labour and the slowing down or delaying of hiring decisions. However, during this period Rubicon demonstrated growth at the top line and continued growth at the NDR and EBITDA levels, building on the momentum and stability of the previous 18 months." Mr Kevin Levine, CEO of Rubicon, commented.

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1. Includes gain on debt forgiveness in H1FY14 of 88.6m and abnormal revenue in H1FY14 of \$0.1m.
  2. Excludes gain on debt forgiveness in H1FY14 of 88.6m and abnormal revenue in H1FY14 of \$0.1m.
  3. Includes restructuring costs of \$Nil (H1FY14: \$0.2m - \$0.1m onerous lease provision, \$0.1m redundancy payments).
  4. Excludes restructuring costs of \$Nil (H1FY14: \$0.2m - \$0.1m onerous lease provision, \$0.1m redundancy payments).
  5. Excludes taxation relating to gain on debt forgiveness in H1FY14 of \$1.8m, notional interest on vendor liabilities of \$Nil (H1FY14: \$0.1m) and tax effect of \$0.1m (H1FY14: \$0.1m).



“This impact was offset at the NPAT line as a result of higher interest costs attributed to drawdown of additional funding for re-investment back into the business. During this period we have continued to focus on expanding in markets and sectors signifying growth potential, while adding to consultant headcount to match demand across specific areas. In addition, we have had ongoing contribution towards our transformation technology project, which is nearing completion and will deliver significant efficiencies, and annual cost savings in excess of \$1.0m, post implementation.” Mr Levine stated.

### **Business Performance**

The Group’s total revenues increased 0.5% to \$102.2m, reversing the declining trend of previous periods. Net Disposable Revenue (NDR) or Gross Margin, also increased 4.9% from the same period last year, attributable to an improvement in permanent recruitment volumes and consultant productivity. This flowed through to Underlying EBITDA of \$0.9m, an increase of 50.0% on the first half of FY14 demonstrating the stability and scalability of the Group’s operational platform.

Employee benefits expense increased by \$1.0m or 8.4% as a result of an increase in consultant headcount. Rental expense decreased by \$0.2m or 13.2% and other expenses reduced by \$0.1m or 2.0% compared to the same period last year.

### **Capital Management**

Operating cash flow before interest and taxation was an inflow of \$0.4m compared to an outflow of \$4.1m in the prior year. Operating cash flow after interest and tax was an outflow of \$0.8m compared to an outflow of \$5.1m in the same period last year. The remaining vendor earn-out payments are estimated at \$0.8m.

### **Strategic Initiatives**

The improvement in consultant productivity and investment in consultant headcount alongside entry or expansion in demonstrable growth areas remains a priority for the Group, in order to meet medium-term strategic growth objectives. In the first half there was net growth of 11 consultants



(5.9% increase on June 2014) while consultant costs as a percentage of NDR reduced to 51.1% from 52.1% for the 6 months ended 30 June, 2014.

Rubicon is now in the closing stages of the implementation of the Group technology and transformation project. This enterprise level, common database, applicant tracking system and back office platform will serve to significantly enhance client and candidate visibility, reduce operating cost and maximise instances of cross-selling across our brand network.

Mr Levine said, "We have spent the last 18 months, positioning the business to deliver on our strategic goals, and our steadily improving performance levels have reaffirmed the direction we have taken. Despite uncertain external conditions, we have continued to pursue our strategic goal of re-investment in the business where opportunities for medium-term growth exist. While we acknowledge we are still some way from achieving critical mass and reaching our own financial expectations and potential, our results are improving. Our board, management team and whole business remain wholly committed to continuing to deliver on these improving trends, and drive positive results and value for our shareholder community."

### **Outlook**

Concentrating on Rubicon's near-term outlook, Mr Levine said, "The weaker global and local economic conditions are expected to continue to have flow on effects on hiring volumes, labour demand and margins. For the remainder of the year, we remain focused on building on the momentum of our improving trends, implementing our technology platform and delivering an increase in shareholder value."

### **Enquiries:**

Kevin Levine  
CEO, Rubicon  
Tel: 02 8061 0000

Kate Parker  
Head of Marketing & Communications, Rubicon  
Tel: 02 8061 0020



**Rubicor**  
CONNECTED PEOPLE

**Rubicor Group Ltd**  
ACN 110 913 365

Level 11, 1 Alfred Street  
Sydney NSW 2000

T: 02 8061 0000

F: 02 8061 0001

[www.rubicor.com.au](http://www.rubicor.com.au)

28 April 2014

Markets Announcements Office  
ASX Limited  
Exchange Centre  
20 Bridge Street  
SYDNEY NSW 2000

Dear Sir/Madam,

**Request for Directors to call general meeting and distribute statement**

Rubicor Group Limited (ASX: RUB) (**Company**) advises that the Company has received the attached requests and their attachments pursuant to sections 249D and 249P of the *Corporations Act 2001* (Cth) respectively from Mr Angus Mason, representing Cashel Capital Partners Fund Pte Ltd, a member who holds more than 5% of the issued capital of the Company, for Directors to:

1. call and hold a general meeting to consider the resolutions to remove John Pettigrew and Russel Pillemer as Directors and to appoint Angus Mason and David Hutchison as Directors; and
2. distribute a statement to all members.

Mr John Pettigrew, Chairman of Rubicor said, "In our view this is an opportunistic attempt by Cashel and its associates to secure control of Rubicor at a time when the results of our efforts to restructure the Company post the bank debt restructure are starting to bear fruit, as illustrated in our recent announcements to the market."

The Company notes that Cashel Corporate Finance Pty Ltd an affiliate of Cashel Capital Partners Fund Pte Ltd was previously retained by the Company to provide capital raising, acquisition and general corporate advice.

The Company is consulting its legal advisors and will update the market in due course however there is no intention for Messrs Pettigrew and Pillemer to resign as Directors of the Company following on from this request by a shareholder owning 8.21% of the issued capital of the Company. The Company's Board is in unanimous support of this position.

Yours faithfully,

Sharad Loomba  
Company Secretary  
Rubicor Group Limited

From: Cashel Capital Partners Fund 1 Pte Ltd  
80 Raffles Place, #26-01  
UOB Plaza 1  
Singapore 048624, Singapore

To: The Directors  
Rubicor Group Limited  
Level 11  
Gold Fields House,  
1 Alfred Street  
Sydney, NSW, 2000

Date 24 April 2015

Dear Directors,

**REQUEST FOR DIRECTORS TO CALL A GENERAL MEETING PURSUANT TO SECTION 249D OF THE CORPORATIONS ACT 2001 (CTH)**

Cashel Capital Partners Fund 1 Pte Ltd being the holder of 10,450,000 ordinary shares in the capital of Rubicor Group Limited (**Company**), which number of shares represent at least 5% of the votes that may be cast at a general meeting of the Company, requests under:

1. section 249D of the *Corporations Act 2001* (Cth) (**Act**); and
2. clause 15.3 of the Company's constitution,

that the directors of the Company call and arrange to hold a general meeting of the Company for the purposes of considering the following proposed resolutions:

3. To consider and, if thought fit, to pass the following as an ordinary resolution:  
*"That Mr. John Pettigrew be and is hereby removed from office as a director of the Company."*
4. To consider and, if thought fit, to pass the following as an ordinary resolution:  
*"That Mr Russell Pillemer be and is hereby removed from office as a director of the Company."*
5. To consider and, if thought fit, to pass the following as an ordinary resolution:  
*"That Mr Angus Mason be and is hereby appointed as a director of the Company."*
6. To consider and, if thought fit, to pass the following as an ordinary resolution:  
*"That Mr David Hutchison be and is hereby appointed as a director of the Company."*

Consents from each of Messrs Mason and Hutchison are attached.

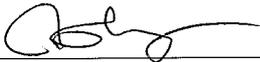
In accordance with section 249D of the Act, the directors of the Company are required to call the requested general meeting within 21 days of the date that this requisition is given to the Company, and the general meeting is required to be held within 2 months of the date of this request. If the directors do not call the meeting within this timeframe, the member making this requisition may call and arrange a general meeting at the expense of the Company for the purpose of passing the above resolutions pursuant to section 249E of the Act.

If the Company fails to call and hold a meeting to consider these resolutions within 2 months of delivery of this requisition, the member reserves the right to move the above resolutions at the next meeting of the company in accordance with section 249N of the Act.

This notice does not derogate from the obligations of the Company to convene and hold a meeting within the time limit set out in section 249D of the Act.

The member reserves the right to require the Company to give all of its members a member statement under section 249P of the Act with the notice convening the general meeting to consider the above resolutions. The member statement in respect of the above resolutions will be provided separately.

**SIGNED** by Cashel Capital Partners Fund 1  
Pte Ltd by its duly authorised officer in the  
presence of:



Signature of witness



Angus Archer Mason

CHRIS O'NEARA

Name (print)

To: The Directors  
Rubicor Group Limited  
Level 11, Gold Fields House  
1 Alfred Street  
Sydney, NSW, 2000

Dear Sirs

**Consent to act as Director – Rubicor Group Limited ABN 74 110 913 365 (Company)**

I hereby consent to act as a Director of the Company from the date of this consent.

My particulars are as follows:

<b>Name:</b>	Angus Archer Mason
<b>Date and place of birth:</b>	20 <sup>th</sup> of April 1981, Benalla
<b>Business occupation:</b>	Investor
<b>Other directorships of public companies:</b>	Utility Services Group Limited

Yours sincerely



**Name:** Angus Mason

**Dated:** 21 April 2015

To: The Directors  
Rubicor Group Limited  
Level 11, Gold Fields House  
1 Alfred Street  
Sydney, NSW, 2000

Dear Sirs

**Consent to act as Director – Rubicor Group Limited ABN 74 110 913 365 (Company)**

I hereby consent to act as a Director of the Company from the date of this consent.

My particulars are as follows:

<b>Name:</b>	David Hutchison
<b>Date and place of birth:</b>	14 <sup>th</sup> of March 1975, Workingham, United Kingdom
<b>Business occupation:</b>	Investor
<b>Other directorships of public companies:</b>	None

Yours sincerely



**Name:** David Hutchison

**Dated:**

From: Cashel Capital Partners Fund 1 Pte Ltd  
80 Raffles Place, #26-01  
UOB Plaza 1  
Singapore 048624, Singapore

To: The Directors  
Rubicor Group Limited  
Level 11  
Gold Fields House,  
1 Alfred Street  
Sydney, NSW, 2000

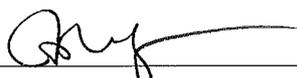
Date 24 April 2015

Dear Directors,

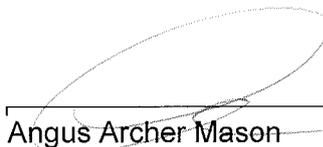
**REQUEST FOR DIRECTORS TO DISTRIBUTE STATEMENT PURSUANT TO SECTION 249P OF THE CORPORATIONS ACT 2001 (CTH)**

Cashel Capital Partners Fund 1 Pte Ltd being the holder of 10,450,000 ordinary shares in the capital of Rubicor Group Limited (**Company**), which number of shares represents at least 5% of the votes that may be cast a general meeting of the Company, requests under section 249P of the Corporations Act 2001 (Cth) (**Act**) that the Company give to all members of the Company a copy of the statement annexed to this request and marked "A" in accordance with section 249P of the Act.

**SIGNED** by Cashel Capital Partners Fund 1 Pte Ltd by its duly authorised officer in the presence of:



Signature of witness



Angus Archer Mason

CHRIS O'MEARA

Name (print)

**THIS IS THE EXPLANATORY STATEMENT MARKED "A" REFERRED TO IN THE  
REQUEST TO DISTRIBUTE EXPLANATORY STATEMENT PURSUANT TO SECTION  
249P OF THE CORPORATIONS ACT 2001 (CTH) DATED 24 APRIL 2015**

**EXPLANATORY STATEMENT**

This Explanatory Statement has been prepared by Cashel Capital Partners Fund 1 Pte Ltd (**Cashel**) being a shareholder of Rubicor Group Limited (**Company**) with at least 5% of the votes that may be cast at a general meeting of the Company.

**Background**

Cashel has since September 2013 been a shareholder in the Company and it has been a substantial shareholder since 31 December 2013. Cashel has concerns with the management of the Company by its current board of directors. In particular:

1. under the current management which includes Mr Pettigrew and Mr. Pillemer, the Company's market capitalisation and shareholder value has declined from in excess of \$103 million in or about July 2007 to a current market capitalisation of approximately \$6.5 million;
2. neither of Mr Pettigrew and Mr. Pillemer have any operational experience in the labour hire industry;
3. the current non- executive directors have not reduced their remuneration to levels that reflect the size of the Company's business. In particular, the Company's accounts for the year ended 30 June 2014 disclose that a total of \$622,722 in total benefits was paid to the Company's non-executive directors and company secretary. It is our view that this is high when compared to other companies of a comparable size and market capitalisation. Shareholder discontent with the Company's remuneration report was disclosed in the significant vote against the Company's remuneration report at its annual general meeting on 13 November 2014; and
4. It is Cashel's opinion that a change in the Board may facilitate a fresh approach and new opportunities for the Company.

**Proposed Board Restructure**

We have requested that the directors of the Company call and arrange to hold a general meeting of the Company under section 249D of the Corporations Act 2001 (Cth) (**Act**). The purpose of the meeting is for the members of the Company to consider resolutions regarding:

1. the removal of Mr John Pettigrew as a director of the Company;
2. the removal of Mr Russel Pillemer as a director of the Company;
3. the appointment of Mr Angus Mason as a director of the Company; and
4. the appointment of Mr David Hutchison as a director of the Company.

**Reasons in support**

We believe that it is necessary for the Company to appoint directors with significant experience in the labour hire industry and a track record of building businesses with a growth profile. It is our view that Messrs Mason and Hutchison have this experience.

Biographical details of Messrs Mason and Hutchison are set out below:

Mr Angus Mason, is director of Cashel, the third largest shareholder of RUB. He has extensive experience in the financing and operations of labour hire and recruitment firms, having been a director and shareholder of Weststaff (Australia) Pty Ltd and Weststaff NZ Ltd.

Aside from his role as CEO of Cashel House Group Pty Ltd (a multi-faceted finance firm), Angus's experience lay in performance turnaround and funding of distressed businesses.

Mr David Hutchison is an ACA with an MBA from London Business School and Harvard. He spent 3 years with Arthur Andersen and 7 years as a strategy and corporate finance consultant with McKinsey & Co. David was the Group Head of Strategy with Standard Chartered Bank and an MD within Deutsche Bank's Investment Banking Division.

In 2007, David joined the board of the largest privately owned training company in Australia. During his 2 year directorship, David was heavily involved in group strategy and planning and also stood in as an interim CEO whilst the company was going through a transitional period. He resigned his role in 2009 to take up a directorship with Site Group International Limited (ASX:SIT). David led Site through an ASX listing and held executive responsibilities related to strategy and operational transformation. He held interim CEO & CFO positions during his time at Site and led the company through several acquisitions and the associated integrations into the business. David left Site Group in 2011 to start OnServices Group Pty Ltd. OnServices is a global training and recruitment company. In 3 years OnServices has grown to have operations in 18 countries and revenues of in excess of \$140M. At the end of 2014 David sold his shareholding in OnServices.

In addition to the above, David has significant experience within the Australian and global recruitment industry having worked on strategic and corporate finance assignments with companies including; Manpower, Kelly Services, Adecco and Fircroft.