

INVESTOR PRESENTATION

Financial results for the
year ended 30 June 2016

Iain Dunstan
Chief Executive Officer

Darius Coveney
Chief Financial Officer



IMPORTANT NOTICE & DISCLAIMER

Rubik Financial Limited ("the Company") and its respective directors, employees, agents and consultants shall have no liability (including liability to any person by reason of negligence or negligent misstatement) for any statements, opinions, information or matters (express or implied) arising out of, contained in or derived from, or any omission from the presentation, except liability under statute that cannot be excluded. The presentation contains reference to certain intentions, expectations and plans for the Company. These intentions, expectations and plans may or may not be achieved. They are based on certain assumptions which may or may not be met or on which views may differ. The performance and operations of the Company may be influenced by a number of factors, many of which are outside the control of the Company.

No representation or warranty, express or implied, is made by the Company or any of its representative directors, officers, employees, advisors, or agents that any intentions, expectations or plans will be achieved either totally or partially or that any particular rate of return will be achieved. Actual results and developments will almost certainly differ, possibly materially, from those projected in the forward-looking statements contained in this presentation. Any forward looking statements contained in this presentation are not guarantees or representations of future performance and should not be relied upon as such. This presentation does not purport to be inclusive of all information which its recipients may require in order to make an informed assessment of the Company's prospects. You should conduct your own investigation and perform your own analysis in order to satisfy yourself as to the accuracy and completeness of the information, statements and opinions contained in this presentation before making any investment decision.

AGENDA

Group highlights

Corporate overview

FY2016 financial results

In summary

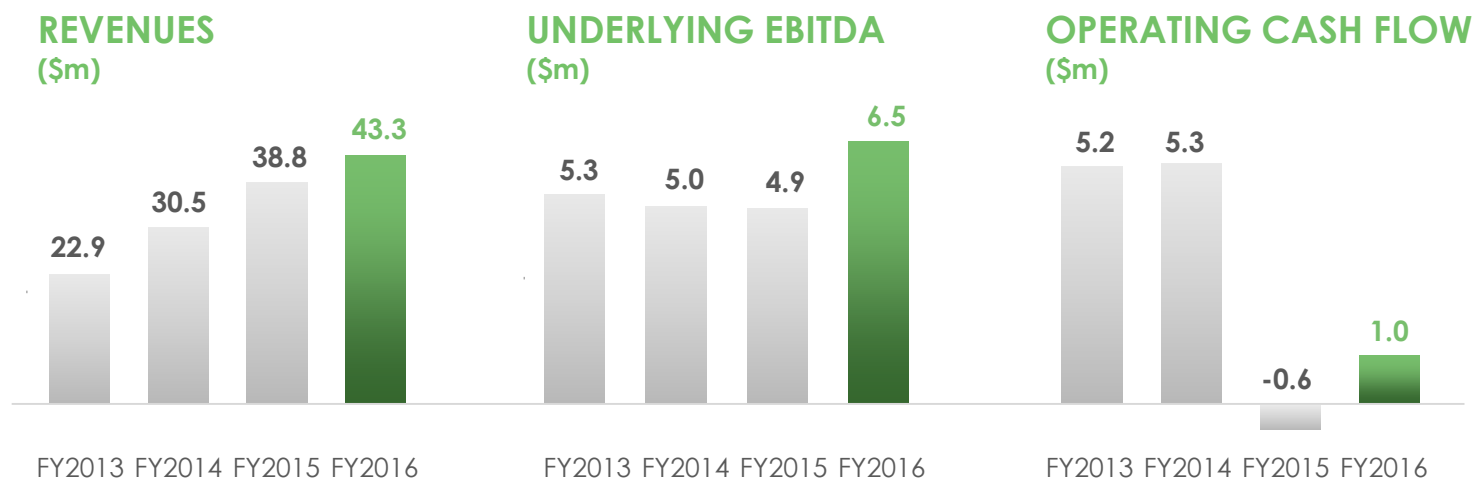
Appendices

The background of the slide is a blurred office scene. In the foreground, a laptop is open on a desk, and a glass of water is visible. In the background, two people are working; one is standing and looking at a tablet, and the other is seated. The text "GROUP HIGHLIGHTS" is overlaid on the left side of the image, with a horizontal bar in green, yellow, and blue passing behind it.

GROUP HIGHLIGHTS

FINANCIAL HIGHLIGHTS

- Revenue growth of >10% for fourth consecutive year
 - Increased to \$43.3m in FY2016 (FY2015: \$38.8m)
- Increased underlying EBITDA by >30% vs 20% target
 - Up >70% when existing product capitalisation added back
- Restructuring benefits beginning to kick in



CORPORATE HIGHLIGHTS

EMPLOYEES



- Key Board and talent acquisition
- Reorganised for growth and streamlined corporate structure

CLIENTS



- Attracted new clients (signed +150 contracts)
- Continued to retain existing clients through greater engagement

PARTNERS



- Developed new strategic partnerships
- Strengthened existing key partnerships
- Leveraged exclusive relationship with Temenos

CORPORATE OVERVIEW

“

Committed to improving the **customer experience and profitability** of the financial services community through our **innovative technology solutions**. ”



Leading ASX
**LISTED FINTECH
COMPANY**



150 STAFF in
Australia & **50** off-shore



AUSTRALIA,
Asia, Middle East



930 direct clients
in **12** countries



23,000 end users



EXPERIENCED
leadership team

MARKET DEMAND

Rubik is developing leading edge solutions in response to customer needs

SCALED & ROBO ADVICE



Leveraging opportunities presented by the disruption of the traditional financial advice market where scaled advice requirements continue to grow

COST EFFICIENCIES



Utilising Software as a Service model to drive cost efficiency for client base

OMNI-CHANNEL



Delivering greater user experience in banking and financial services across multiple channels and with any device

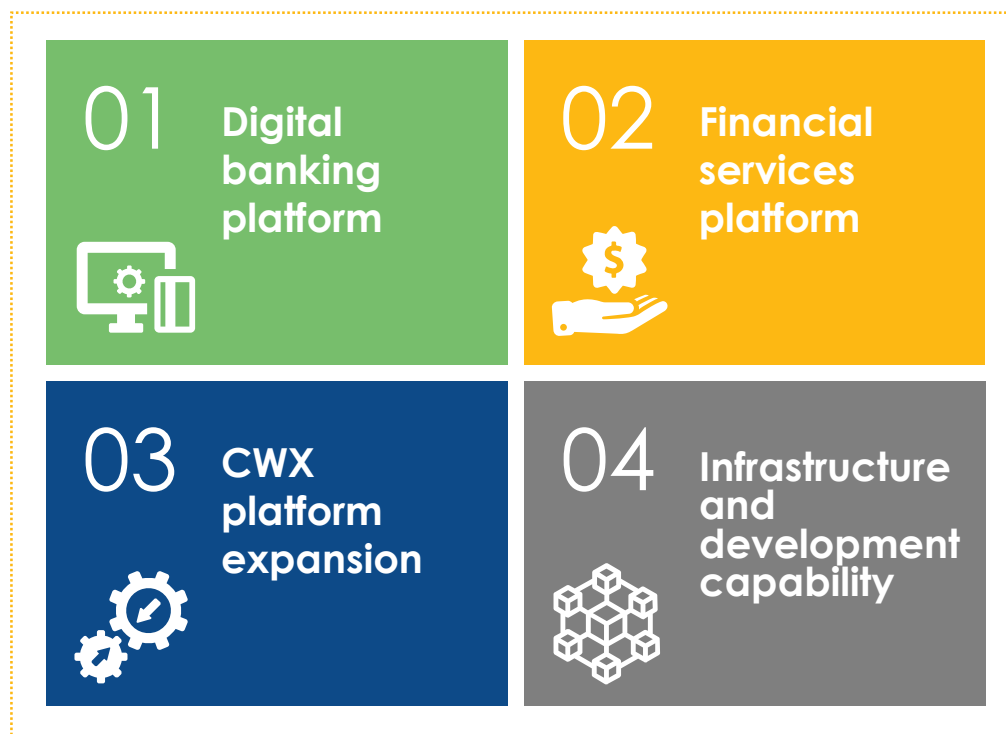
DIGITAL FOCUS



Creating a best in class digital user experience for the market with software that is scalable and functionally rich

DEVELOPMENT INITIATIVES

Transitioning from a product to a platform solutions approach

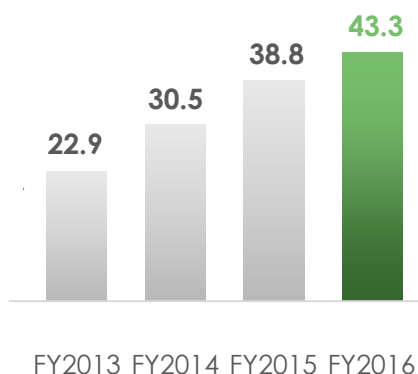




FY2016 FINANCIAL RESULTS

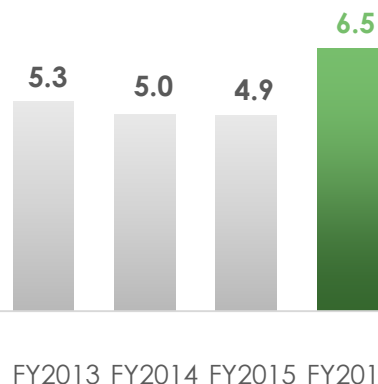
KEY RESULT INDICATORS

REVENUES (\$m)



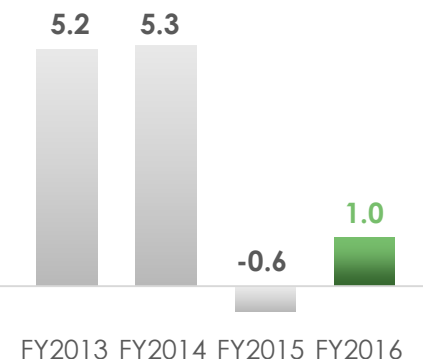
- Fourth consecutive year of double digit revenue growth
- Revenue increased due to new CWX product sales and increased project work across all groups

UNDERLYING EBITDA (\$m)



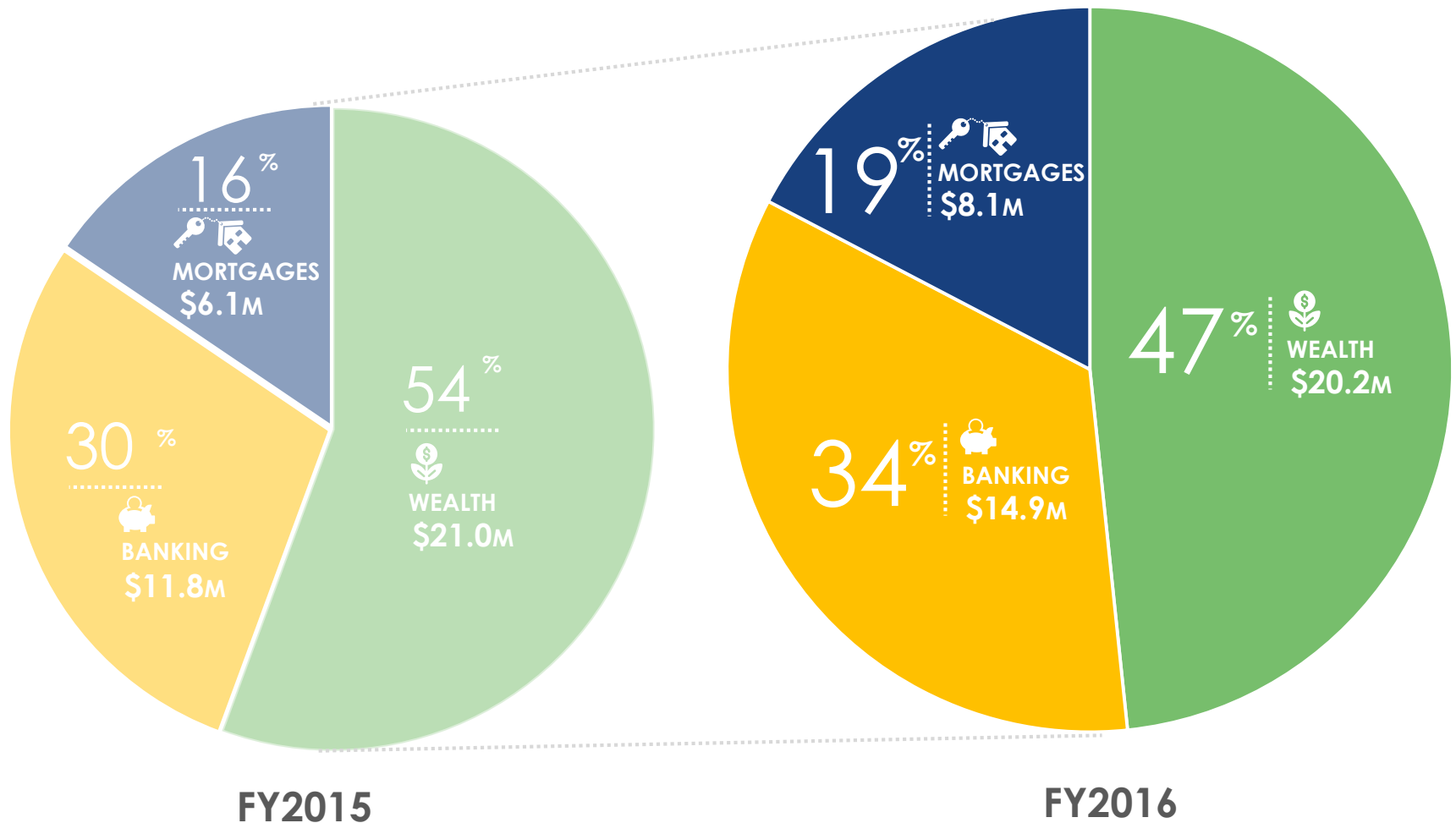
- Growth of >30% against guidance of 20%
- Improvement in underlying EBITDA reflects revenue improvement and benefits of restructuring program

OPERATING CASH FLOW (\$m)



- Cash flow returned to positive due to higher underlying EBITDA, and is expected to remain positive

REVENUE SHARE BY PRODUCT GROUP



STRONG UNDERLYING GROWTH BEFORE NEW PRODUCT INVESTMENT

(\$m)	FY2016	FY2015	CHANGE
Underlying EBITDA	6.5	4.9	32% increase
Add back capitalisation of existing products	(1.2)	(1.8)	
Underlying EBITDA before existing product capitalisation benefit	5.3	3.1	71% increase

- Underlying EBITDA of \$6.5m was a \$1.6m, or 32% improvement - driven by increased service fees and a focus on cost containment
- Underlying EBITDA (excluding existing product capitalisation) has increased by \$2.2m, or 71%

BALANCE SHEET

(\$m)	FY2016	FY2015
ASSETS		
Current assets	15.0	10.4
Non-current assets	69.1	69.6
Total assets	84.1	80.0
LIABILITIES		
Current liabilities	15.5	12.2
Non-current liabilities	10.1	12.1
Total liabilities	25.6	24.3
TOTAL EQUITY	58.5	55.6

- Net current assets up from \$0.5m in FY2015 to \$2.2m in FY2016, after adjusting for revenues received in advance
- Impairment cost of \$5.3m recognised for Mortgages CGU, offset by \$5.8m reduction in forecast earn out liability
- 1-for-7 non-renounceable entitlement offer raised approx. \$5m (before costs)
- Renegotiated bank facilities during the year

A blurred background image showing a person's hands holding a white tablet. The person is wearing a light-colored shirt. The image is out of focus, emphasizing the text in the foreground.

IN SUMMARY

KEY SUMMARY POINTS

- Achieved above forecast growth while making investments in next generation platforms
- Strong financial results
 - Revenue grew over 10% for fourth consecutive year
 - Underlying EBITDA grew >30%, exceeding 20% target
 - Cash flow returned to positive
- Restructuring benefits kicked in
 - Utilising a mixture of on-shore and off-shore development and testing
- Transitioned from product to platform solutions approach
 - Further enhanced software and services offering
- Strong pipeline of new opportunities across the business

QUESTIONS

CONTACTS

Iain Dunstan – Chief Executive Officer

Darius Coveney – Chief Financial Officer



APPENDICES

RECONCILIATION OF UNDERLYING EBITDA TO OPERATING CASH FLOW

(\$'000)	FY2016
UNDERLYING EBITDA	6,520
Interest and tax paid	(565)
Sub total	5,955
CHANGE IN WORKING CAPITAL	
(Increase) in trade and other receivables	(3,041)
(Increase) in other current assets	(292)
Increase in trade creditors	1,385
(Decrease) in employee benefits	(27)
Increase in other operating liabilities	388
(Decrease) in other working capital balances	(813)
Sub total	(2,400)
OPERATING CASH FLOW EXCLUDING RESTRUCTURING COSTS	3,555
Restructuring and transition costs	(1,938)
Decrease in restructuring provision	(574)
Sub total	(2,512)
OPERATING CASH FLOW (as per Annual Report)	1,043

- Restructure related cash outflow was \$2.5m (H1-FY2016: \$2.3m and H2-FY2016: \$0.2m)
- Operating cash flow went from negative \$0.6m to positive \$1.0m year on year, mainly due to higher underlying EBITDA
- Higher working capital requirements were driven by increased trade receivables and accrued revenue which included licenses and ad-hoc projects billed or unbilled at the end of the period

FREE CASH FLOW

(\$'000)	FY2016	FY2015
UNDERLYING EBITDA	6,520	4,929
Interest & tax paid	(565)	(347)
Change in working capital	(2,400)	(2,250)
Other	-	(544)
Restructuring	(2,512)	(2,340)
OPERATING CASH FLOW (as per Annual Report)	1,043	(552)
Sustaining capex	(509)	(958)
Product enhancement capex	(1,261)	(2,130)
Add back restructuring	2,512	2,340
UNDERLYING FREE CASH FLOW	1,785	(1,300)
Major project (RMB) capex	(4,552)	-
Acquisitions/divestments	(1,619)	993
Restructuring	(2,512)	(2,340)
FREE CASH FLOW	(6,898)	(2,647)

- FY2016 free cash flow was negative \$6.9m, reflecting
 - \$4.6m investment in R&D for Rubik's new digital banking platform
 - \$1.6m of deferred consideration payments relating to prior acquisitions
 - \$2.5m in restructuring costs

Rubik