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**ASX RELEASE
TRANSCRIPT OF AGM VIDEO PRESENTATION**

Rubicor Group Limited (ASX:RUB) advises that the following is a transcript of a video presentation provided at Rubicor's annual general meeting held today in Brisbane.

The video will also be made available at www.rubicor.com.au/investors

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ABOUT RUBICOR

The RUBICOR Group is one of the largest providers of recruitment and human resource services in Australia, New Zealand and Asia. Consisting of 6 specialist recruitment and HR solutions businesses, RUBICOR employs over 200 team members across 18 offices delivering complete staffing, payroll, consulting and managed services solutions across a diverse range of industry sectors and geographies.

RUBICOR 2017 AGM

INTRODUCTORY SLIDE

FINANCIALS

--- Animation ---

Narrator

In the financial year ending 30 June 2017, Rubicor's total statutory revenue increased 6.4% to \$219.7 million, while statutory gross profit increased by 35.9%, up to \$51.9 million. Statutory EBITDA also saw a significant increase, moving from negative \$3.8 million up to \$14.6 million.

There was statutory Net Profit After Tax (attributable to equity holders) of \$15.5 million and an underlying Net Loss After Tax of \$100,000, both of which represent a significant improvement on last year's figures.

Statutory EBITDA and NPAT include \$2.8 million in non-core expenses associated with the restructuring initiative, while all statutory results include a number of one-off income items that have positively affected the balance sheet and reflect Rubicor's goal of achieving capital stability. These income items include:

- A gain on debt forgiveness of \$14.7 million;
- A gain from bargain purchase of \$4.4 million; and,
- \$0.7 million in proceeds from the sale of Ensure.

CEO INTRODUCTION

--- Filmed Video ---

David Hutchison, Chief Executive Officer & Executive Chairman

I'm proud to say that FY17 was a very successful year for Rubicor:

- Financially, we performed well across most metrics, especially compared to other ASX listed recruitment companies;
- Operationally, we finalised the biggest, most significant branding restructure that the company has ever seen; and,
- We continued to build our existing relationships while winning new and important business with national clients.

Our change initiative has continued to convert many of the visions that we articulated nearly two years ago. In this video, we'll give a brief overview of just some of the important things we've been doing to achieve our three central goals of:

- Promoting financial responsibility;
- Creating operational excellence; and,
- Driving innovation.

PROMOTING FINANCIAL RESPONSIBILITY

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Narrator

Since FY16, Rubicor has been engaged in an ambitious change initiative, the first goal of which has been to promote financial responsibility.



In FY17, Rubicon continued to make important changes to increase its financial stability and transparency. Most encouragingly, compared to FY16:

- External consultant costs were reduced by \$247,000;
- Operating lease commitments were reduced by \$72,000 per year for the next four and a half years;
- Interest and finance charges on borrowings were reduced by \$463,000; and,
- Employee benefits improved by \$2.8 million.

As part of the change initiative's efficiency gains and productivity improvements, head count across the business has also reduced from 230 to 185. This equates to a reduction of almost \$2.2 million per year in salaries, commissions and bonuses.

Rubicon has also made an important change to how permanent placement revenue is recognised. Previously, the company used an accruals method, where revenue was reported at the point when an offer for placement was accepted. This year, however, Rubicon began using a cash method, where revenue is only recognised when it is received. While this change to the cash method meant that Rubicon's FY17 revenue was \$1 million lower than what would have been achieved using accruals, it is a much more stable and transparent method of reporting revenue.

These are just a few of the many changes that Rubicon has made to ensure the company moves into the future in the most transparent and financially responsible way.

CREATING OPERATIONAL EXCELLENCE

--- Animation ---

Consolidated Business Unit Strategy

Narrator

Last year, Rubicon set itself the goal of building a more efficient, cohesive and cooperative brand structure. In 2017, this goal was achieved, with Rubicon launching its updated suite of businesses. Whereas the old structure included 16 individual market-facing brands, the new structure is driven by 6 purposely crafted and function-driven business units.

Rubicon Workforce was formed through the merging of Challenge Recruitment, SW Personnel, and Orange Australia. The new business unit offers over 60 years of combined experience recruiting for industries such as:

- fast-moving consumer goods;
- construction;
- manufacturing;
- mining; and,
- telecommunications.

Rubicon Government was created through a merging of Gel, Wizard, and Locher HR. The new business offers candidate and clients more than 60 years of combined experience recruiting across:

- local, state, and federal governments;

- not-for-profits;
- education;
- healthcare; and,
- publicly funded utilities.

Rubicor Professional brings together four iconic Rubicor brands: Apsley Recruitment, SMF Recruitment, Credit Recruitment Services, and Dolman. Together, as Rubicor Professional, these brands offer over 70 years' experience across:

- insurance;
- finance;
- banking; and,
- executive support.

Rubicor Technical sees a merging of three highly respected Rubicor companies: Cadden Crowe, Locher and Associates, and James Gall. As a result, Rubicor Technical offers candidates and clients over 60 years of experience across:

- resources;
- infrastructure;
- manufacturing;
- utilities; and,
- supply chain management.

As a result of its outstanding brand equity and market presence, x:pand has continued to face the market under its own name. It will continue its award-winning service and innovation across the digital, technology, media, sales, and marketing spaces.

Gaulter Russell and Numero have merged and now trade as one brand, offering the New Zealand market industry-leading recruitment services in:

- sales;
- marketing;
- accounting;
- finance; and,
- supply chain.

In FY17, Rubicor also divested its 50.1% share of the Ensure business. This was a purposeful, strategic decision by Rubicor's Board to create the most efficient and unified group of businesses possible. The remaining six business units are now built upon a common business infrastructure and are driven by the same strategic goals. With this more unified structure, Rubicor can engage the market in a much more efficient and effective way.

Helping Clients Solve Problems

Narrator

Underpinning Rubicor's business unit strategy is a diversified and adaptable service offering that allows Rubicor to partner with clients and help them solve some of their most difficult problems.

One way that Rubicon is helping its clients is by taking over their entire payroll function. One of Rubicon's most recognisable customers in this regard is eBay, who engages Rubicon to ensure that all of its alternative workforce across Australia are being paid accurately and on time. Rubicon has been working with eBay for 18 months now and has used its position as payroll provider to investigate more valuable and deeper engagements.

Another way that Rubicon helps its clients is by filling both permanent and temporary gaps in their workforce. Here, Rubicon has established some extremely longstanding and valuable relationships with some of the most recognisable Australian and international companies. For example:

- Rubicon Workforce is a preferred supplier to both Coca Cola Amatil and Telstra, contracts that have existed for over 25 and 20 years, respectively. Here Rubicon supplies contingent labour for use in Coca Cola Amatil's distribution, manufacturing and bottling centres as well as to support Telstra's NBN roll out across the country.
- Rubicon Professional has been supplying labour to Macquarie Bank for over 12 years and Transport NSW for over 10.
- Rubicon's x:pand business is also routinely name the number one supplier of labour to Google in Asia Pacific and to Facebook in both Singapore and Hong Kong.

Rubicon also helps clients solve problems by becoming a core, integrated component of their business. This is known as Recruitment Process Outsourcing and Business Process Outsourcing, where clients outsource a whole department and function of their business to Rubicon. For example: Industrie, a growing mid-tier IT services firm, has just engaged Rubicon's x:pand group to take over all of its recruitment activities. x:pand has also been engaged by Yahoo in this same capacity for 10 years now – an amazing tenure for this type of work.

Rubicon even works intimately with clients in an advisory role. For example: Rubicon Technical consults with a number of mining companies both in Australia and overseas to help them with activities such as: process and organisational reviews; company restructuring; exit interviewing; and, workplace investigations. By advising clients in such ways, Rubicon is directly helping CEOs, Boards, and management teams navigate and solve complex problems.

By adopting such a diverse approach to its service offering, Rubicon is able to build more extensive relationships with clients and help them solve more of their problems.

DRIVING INNOVATION

--- Animation ---

Narrator

Rubicon sees innovation not only as a key component of its own business, but an essential feature of any company that wants to lead in the recruitment industry.

At last year's AGM, Rubicon announced that it was trialling "digitize", an innovative partnership between the Singaporean government, Google and Rubicon's x:pand group. For this program, x:pand sourced 24 graduates who would spend a full year

with Google and 15 of its partners across Singapore and Australia. At the end of the journey, the companies could choose to employ the graduates as permanent staff. A year on from its inception, Rubicor can announce that digitize has been so enthusiastically accepted by google and its partners that it will become a long-term offering, which will double in size in its second year.

In FY17, Rubicor continued to search for other areas where it could innovate. One option that is being investigated is its candidate and client databases.

Until this year, Rubicor was segmented into a plethora of brands, each of which independently built their own database of candidates and clients. However, now that Rubicor has consolidated into a more streamlined and efficient group of business units, these databases can be merged. For the first time ever, Rubicor would be able to access over 2.4 million candidate records and 30 thousand client records from a single source.

With the aid of data-mining and deep analytics, Rubicor could extract insights from this information that were previously irretrievable. These could include micro and macro trends, such as:

- How candidates move through the employment market over time;
- How employers respond to candidates and what attributes they favour; and,
- Which price points and mechanisms are most effective for Rubicor and its clients.

Rubicor can then use this valuable information to hone its pricing, make more targeted approaches to clients, and increase its industry engagement by compiling white papers and industry insight reports.

CONCLUDING REMARKS

--- Filmed Video ---

Sharad Loomba, Chief Operating Officer & Executive Director

As you can see, Rubicor has achieved some vastly important goals over the last year:

- Financially, we have performed better than many other players of our size;
- We've completed the most ambitious brand restructure the company has ever seen; and,
- We've continued to innovate to grow existing relationships or win new business with some of the country's biggest companies.

I know I can speak for both myself and the other members of Rubicor's Board and management team when I say we are all tremendously excited to keep this progress going and deliver even more of the results that the Rubicor family has achieved this year.