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# **RXP Services – Annual General Meeting**

**9 November 2015**

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## Items of Business

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A.	Chairman and CEO Presentations
1.	Discussion of Financial Statements and Reports
2.	Consideration of Remuneration Report
3.	Consideration of Re-election of Directors
4. & 5.	Consideration of Ratification and Approval of Previous Allotment and Issue of Securities

# Performance

Revenue up

Profit up

Maiden Dividend

# Community



**Building Resilience in Young People**



**Lifesaving and Water Safety**



**Raising Awareness of Homelessness**

# Future Environment

**Digital**

**Customer Knowledge**

**Productivity, Efficiency and Scalability**

**Consolidation**

# Conclusion

**Disruptive Digital Technologies**

**Evolution**

**OneRXP**

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**Ross Fielding – Chief Executive Officer**

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# ITEMS

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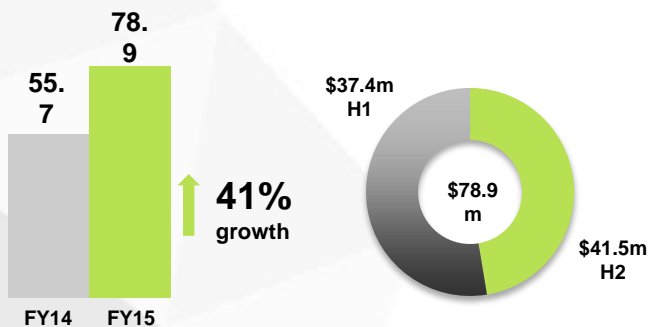
1. FY15 Performance
2. Drivers in our Industry and Outlook for FY16
3. Our Vision and Strategy



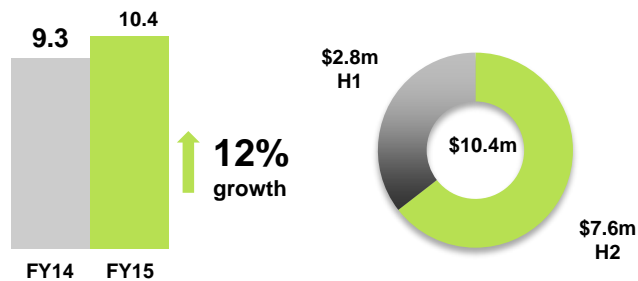
## FY15 at a glance

- Revenue up 41.5% to \$78.9m
- Profit before tax up 12.4% to \$10.4m
- Strong second half growth over pcp - 26+% in both revenue and profit
- \$25m Westpac acquisition debt facility put in place
- **Maiden dividend of 1.25cps fully franked paid on 9 October 2015**

### Revenue



### PBT



## FY15 – a strong second half

### **First half of FY15 produced solid revenue result, however PBT was impacted by key project deferrals**

- Low utilisation in the last 10 weeks of first half

### **Successfully regained momentum in the second half**

- All deferred projects/work commenced as expected in 2H
- Strong 2H pcp growth in revenue (26.5%) and PBT (26.7%)

### **Continued growth at the top line validates our view of ongoing growth and spend in our sector**

- Our focus on specialisation (Practices) within a “OneRXP” environment continues to enable us to win
- Our focus on outcomes based deliverables is also working

### **Integration of Centrum systems has gone well, maintaining our “OneRXP” strategy**

- Going strong, bringing new client and partner relationships to RXP whilst enhancing existing ones

### **Growth in size of engagements and project duration along with breadth of projects continues**

- The number of multi-year client engagements is increasing
- The number of multi-practice opportunities continues to increase

### **Significant client wins (from both existing and new)**

- We continue to drive “cross-sell” across the company leveraging our team based operating model

### **The focus on our people remains a key priority**

- Internally developed and run development programs (xCelerate) proving popular and delivering results
- We continue to be able to attract the “right” talent

### **Commercialisation of RXP Intellectual property/as a service offerings is a reality**

- We have commenced Licensing our own IP-backed Products/Solutions
- We continue to see growth in our “As A Service” offerings
- Represented 7+% of last quarter profit in FY15
- We will continue to develop this as a source of growth

### **Partner engagement continues to evolve and mature**

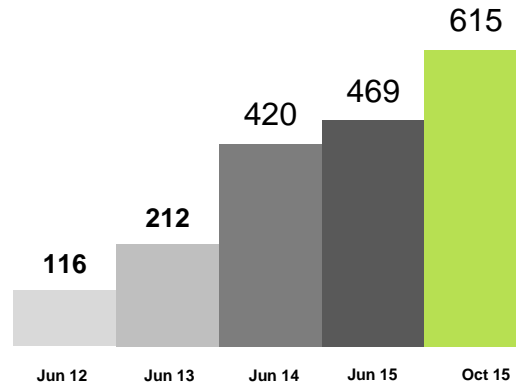
- We have continued to execute our “mainstream, challenger, disruptive partner” strategy
- We are gaining traction in joint RXP-Partner solution development
- Our Partners are proving to be a source of client growth

### **\$25m Westpac acquisition debt facility now in place**

- Enables RXP to continue to pursue EPS accretive acquisitions and allows for greater flexibility in balance sheet management

## Operations at a glance

### People



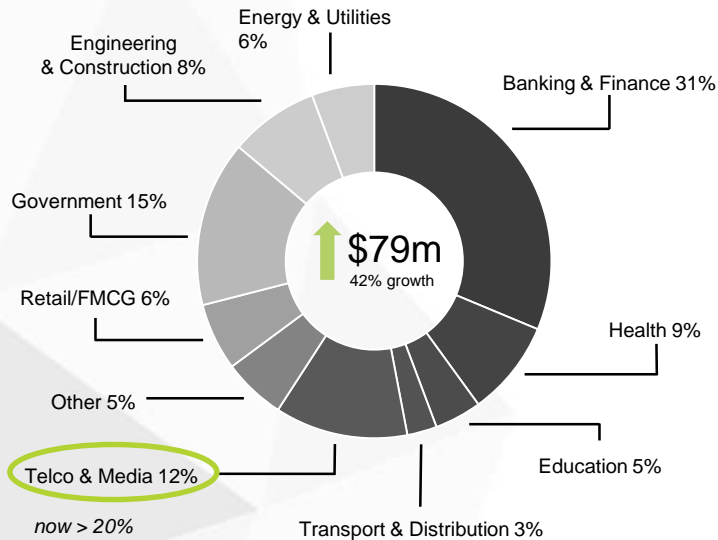
- 2H FY15 utilisation returned back to planned levels
- 615+ people at 31 October 15 - Q1 FY16 organic growth 30+people
- Development of our people remains a priority (RXP xCelerate program)

# Operations at a glance

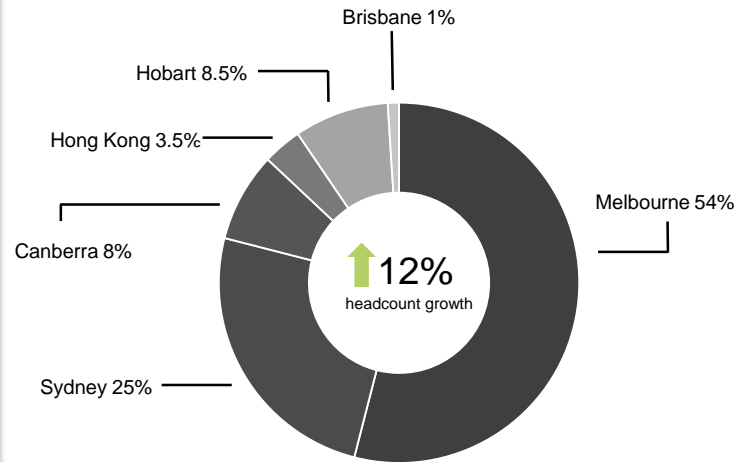
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## Industries and Geographies - we continue to grow our client diversity in our chosen regions

- Have added key clients and extended work with existing clients across a range of industries
  - Banking & Finance, Telco & Media, Engineering & Construction, Health, Food & Beverages, Retail/FMCG, Government



- We continue to operate across a number of key geographies
- Our Hobart Near Shore capability is being leveraged across all geographies



Note: Charts exclude acquisition of EV

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## **Drivers and Outlook for FY16**

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# Drivers in our Industry

## Digital and Cloud

- Multi-channel anytime, anyplace, self service
- Capex to Opex

## Customer Knowledge, Intimacy, Retention, Attraction

- Know me, Service me, Offer me, Attract me

## Productivity, Efficiency and Scalability

- Maximise productivity
- Optimise and leverage
- Get the most out of what I have

## Innovation

- Continue to challenge and look for new ways, new things

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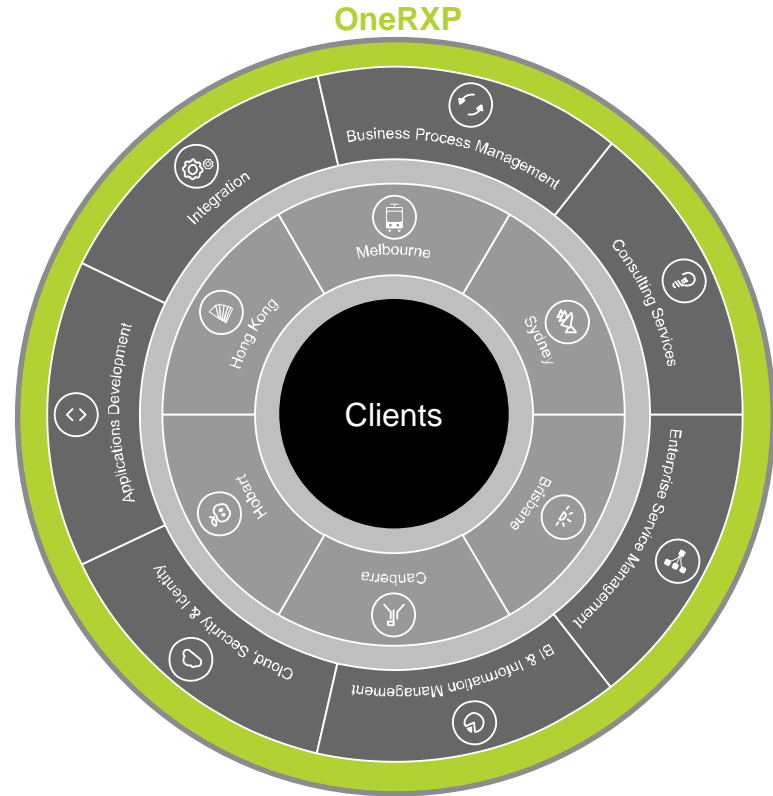
# We are well placed

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**Our specialisations are the right ones - they are “in-demand” and we continuously evolve**

**Our specialisations enable us to respond to client demands - Digital, Customer Knowledge/Intimacy, Efficiency/Productivity**

**OneRXP – we combine exceptionally talented people across Practices with proven methods to form teams that deliver outcomes for clients**





# Strategic priorities for FY16

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## Core set of priorities that guide our focus

People	Develop our people, continue to evolve and expand our specialisations
Solutions	Leverage our Intellectual Property, continue to evolve and monetise "RXP Solutions"
Clients	Build on existing and develop new Client Relationships
Partners	Build on existing and develop new targeted Partner Relationships
Brand	Build on our brand and reputation
Consolidation	Strategic mergers and acquisitions

## Outlook remains positive with growth expected

### We continue to focus on driving growth

- We continue to see a strong pipeline across our specialist Practices
- Q1 revenue and profit numbers strong providing a base for a solid first half result and positive outlook for FY16
  - Good organic growth 30+ people
  - Good utilisation
  - Strong pipeline
- Integration of both EV and 10collective into RXP going well and to plan - we look forward to capitalising on the added opportunities these will bring
- The investment in and evolution of “RXP Solutions and As A Service” offerings will continue and we expect this to be a good source of growth in FY16
- Our Balance Sheet remains in good shape
- Progressive dividend policy now in place
- We are forecasting continued revenue and earnings growth in FY16 with revenue in excess of \$108M\* and PBT margin in the range of 13–14%

\*Note: includes 10collective

**“A growing company is a strong company and that provides us with opportunity.....”**

## Summary

### We delivered strong results in FY15 and look forward with confidence

- **Strengthened our team and continue to drive leadership at all levels**
  - now have over 620 people in the business
- **Have a diverse range of clients, geographies and specialisations**
  - Our client base continues to build and engagements generally increasing in size
- **We have started FY16 with momentum and, with a strong pipeline of work, we look forward with confidence**

“Our journey continues.....”

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## Items of Business – Item 1

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2.	Consideration of Remuneration Report
3.	Consideration of Re-election of Directors
4. & 5.	Consideration of Ratification and Approval of Previous Allotment and Issue of Securities

## Items of Business – Item 2

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## Consideration of Remuneration Report

**“That, the Remuneration Report forming part of the Directors Report for the year ended 30 June 2015 is adopted.”**

### Voting Summary:

For	31,633,549	98.33%
Against	294,653	0.92%
Open usable	239,938	0.75%
Excluded	11,519,515	N/A

182,938 OPEN USABLE PROXY VOTES ARE AVAILABLE TO THE CHAIRMAN

## Items of Business – Item 3

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## Re-election of Director – Mr John Pittard

**“That, Mr John Pittard, who retires by rotation as a Director pursuant to the Company’s Constitution, be re-elected as a Director of the Company.”**

### Voting Summary:

For	43,303,502	99.54%
Against	57,153	0.13%
Open usable	146,000	0.33%
Excluded	0	N/A

89,000 OPEN USABLE PROXY VOTES ARE AVAILABLE TO THE CHAIRMAN

## Items of Business – Items 4. & 5.

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## Item 4 – Ratification and approval of previous allotment and issue of securities

**“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, shareholders ratify and approve the previous allotment and issue of 2,346,666 Shares to the vendors of Integrated Value Pty Ltd.”**

### Voting Summary:

For	42,415,170	98.93%
Against	311,653	0.73%
Open usable	146,000	0.34%
Excluded	833,332	N/A

89,000 OPEN USABLE PROXY VOTES ARE AVAILABLE TO THE CHAIRMAN

## Item 5 – Ratification and approval of previous allotment and issue of securities

**“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, shareholders ratify and approve the previous allotment and issue of 1,336,024 Shares to the vendors of Nobel Consulting Pty Ltd.”**

### Voting Summary:

For	43,248,502	98.96%
Against	311,653	0.71%
Open usable	146,000	0.33%
Excluded	0	N/A

89,000 OPEN USABLE PROXY VOTES ARE AVAILABLE TO THE CHAIRMAN

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# RXP Services – Annual General Meeting



**Delivering Outcomes Together**

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