

Rubik Financial Limited

2012 ANNUAL GENERAL MEETING

ORDER OF BUSINESS

Welcome

Good morning Ladies and Gentlemen. My name is Craig Coleman and I am the Chairman of your Company.

As it is now past 10 am, I would like to welcome all of you to the 2012 Annual General Meeting of Rubik Financial Limited.

Chairman's Address

I would like to take this opportunity to briefly address you on the position of our company, Rubik Financial Limited.

By way of context and background, we started Rubik just on 5 years ago with an objective to build from scratch an Australian based FINTECH company providing software systems to financial institutions. Building from scratch has taken longer and required more patience than we would have liked however we have not deviated from our objective.

We like the financial services software market. It is a market of significant size, made up of many institutional participants spending somewhere in the vicinity of \$2b-3bpa. The reliance on technology is critical for these institutions in developing new products, new channels, adhering to regulatory requirements, improving security or increasing efficiency.

The opportunity for Rubik to be a successful challenger in this attractive market is advanced by our local service presence, our ability to demonstrate security and quality of the highest standards and our ability to provide both on premise and on demand systems using modern flexible technologies. We believe we can assist our clients to unlock growth and efficiency gains whilst maintaining the highest security and reliability. We recognise that providing mission critical software systems to financial institutions is as much about trust as it is about IT, so we decided to undertake this endeavour as a public company where we have the governance, transparency and financial substance to help build this trust.

Since beginning we have employed, in round terms, \$50m of capital, comprising \$40m of equity and \$10m of borrowings.

Just over half of our capital was only invested recently when in August 2012 we acquired the Coin business from Macquarie Bank. Coin provides financial planning software, is a profitable business

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with a strong market position and has a blue chip client base. This acquisition has enabled Rubik to move into the Wealth Management segment and thereby broaden our offer beyond the Banking software segment.

In the Banking segment, we have invested just over \$20m of capital. Some of this money was invested to acquire existing software for channels, cards and collections however most of our investment has been organic, by way of licensing, localising and putting into production our hosted Temenos core banking system or "Bank in a Box". With each new contract we secure on this system we are creating reference sites, building our recurring revenue base and increasing the value of this investment. It was pleasing in this regard to announce during the past year, two new contracts for clients to switch to our core banking system.

For the first time in our history, we have now fully deployed our capital. Our simple over-riding objective now is to derive an acceptable return on this capital invested for shareholders whilst continuing to grow our company as we pursue our ambition to build an Australian based FINTECH company of relevance.

I now invite Brent Jackson, our CEO, to present an investor update to the meeting. His update will provide more detail on the Bank and Wealth businesses and provide guidance on expected earnings for this financial year.

Table Accounts

Ladies and gentlemen, I now table the financial report of the Company, together with the Directors' Report and Independent Audit Report for the year ended 30 June 2012.

Questions

I confirm that no written questions have been lodged on the Company, the Directors or its Auditors.

Are there any questions from shareholders or their representatives present today of the Directors, of our Auditors on the accounts, on my address or the CEO's presentation?

I will now move onto the resolutions before the Meeting.

There are a number of resolutions listed in the Notice of Meeting. I will now speak to each one of them in turn.



RESOLUTIONS

RESOLUTION 1 - RE-ELECTION OF MR. IAN HUNTER AS A NON-EXECUTIVE DIRECTOR

SLIDE - RESOLUTION 1

The resolution and proxy details are displayed on the screen behind me. The resolution is the same as resolution 1 in the notice of meeting

To consider and if thought fit, to pass, with or without amendment, the following Resolution as an **Ordinary Resolution**:

"That Mr Ian Hunter who retires in accordance with clause 7.1(e)(2B) of the Company's Constitution and being eligible, offers himself for re-election, be re-elected as a Non Executive Director."

Ian has over 25 years banking experience including being a director and executive vice-president of Bankers Trust Australia and a founding director of E*Trade Australia Limited. Ian has Bachelor of Arts and Bachelor of Law degrees from the University of Sydney and a Master of Business Administration from Macquarie University and is admitted as a solicitor in NSW.

He is a Non-Executive Director of Ironbark Capital Limited (since 2002), a listed funds management company.

The Directors (other than Mr Hunter) recommend that Shareholders vote in favour of Resolution 1. Mr Hunter, who has an interest in the outcome of Resolution 1, declines to make a recommendation.

RESOLUTION 2 - RE-ELECTION OF MR. JOHN WILSON AS A NON-EXECUTIVE DIRECTOR

SLIDE - RESOLUTION 2

The resolution and proxy details are displayed on the screen behind me. The resolution is the same as resolution 2 in the notice of meeting

To consider and if thought fit, to pass, with or without amendment, the following Resolution as an **Ordinary Resolution**:

"That Mr John Wilson who retires in accordance with clause 7.1(e)(1) of the Company's Constitution and being eligible, offers himself for re-election, be re-elected as a Non Executive Director."



It is a requirement under clause 7.1(e)(1) of the Company's Constitution any Director appointed since the last AGM must retire and stand for election. Mr John Wilson joined the company on 21 August, 2012 and therefore retires at this, the first AGM. Being eligible, he has offered himself for re-election as a Director of the Company

John has over 25 years of experience in financial markets and technology. He is presently an Executive General Manager at information services company Veda, and was previously Asia Pacific President for SunGard. Prior to SunGard he was a partner at KPMG.

The Directors (other than Mr Wilson) recommend that Shareholders vote in favour of Resolution 2. Mr Wilson, who has an interest in the outcome of Resolution 2, declines to make a recommendation.

RESOLUTION 3 – REDUCTION OF SHARE CAPITAL

SLIDE - RESOLUTION 3

The resolution and proxy details are displayed on the screen behind me. The resolution is the same as resolution 3 in the notice of meeting

To consider, and if thought fit, to pass the following resolution as an ordinary resolution:

'That approval is given for the Company to reduce its share capital by applying an amount of \$68,219,881, being the accumulated losses of the Company as at 30 June 2012, against the share capital which is considered permanently lost, pursuant to section 258F of the Corporations Act 2001 and for all other purposes'

To obtain shareholder approval for the Company to reduce its share capital by \$68,219,881, being the accumulated losses of the Company as at 30 June 2012. The accumulated losses are comprised of those which relate to the Company's assets that have had their value impaired. A large proportion of these losses (\$50.5m) relate to accumulated losses of entities within the group that have now been deregistered and liquidated. The balance being trading losses accumulated by the Company over a period of 3 years commencing June 2006. This transaction is essentially an accounting entry that allows the Company to remove from its books historical accumulated accounting losses that affect the ability of the Company to retain current and future earnings from which, potentially, future dividends may be paid. The reduction has no effect on the carried-forward tax losses of the Company nor does it change the number of shares currently in issue or the net asset position of the Company.



The Directors therefore propose to reduce the Company's share capital by \$68,219,881, being an amount that is not represented by available assets. The impact of the accounting treatment of this share capital reduction is as follows (using the audited financial statements for 30 June 2012):

30 June 2012	Pre Share Capital Reduction	Post Share Capital Reduction	Changes
Company			
Equity:			
Issued Capital	\$99,474,283.00	\$31,254,402.00	(\$68,219,881.00)
Reserves	\$1,390,771.00	\$1,390,771.00	\$0.00
Accumulated Losses	(\$68,219,881.00)	\$0.00	\$68,219,881.00
Total Equity	\$32,645,173.00	\$32,645,173.00	no change

RESOLUTION 4 – REMUNERATION REPORT

SLIDE RESOLUTION 4

The resolution and proxy details are displayed on the screen behind me. The resolution is the same as resolution 4 in the notice of meeting

To consider, and if thought fit, pass the following resolution as an **ordinary resolution**:

"That the Remuneration Report of the Company for the financial year ended 30 June 2012 is adopted"

In accordance with section 250R of the Corporations Act 2001 (Cth)(Corporations Act), the vote on Resolution 4 will be advisory only.

However, if more than 25% of votes cast on this resolution are against the resolution, then the **Board Spill Meeting Resolution** below will be put to shareholders for their consideration and vote.

Please note that the Corporations Act provides that the vote on this resolution is advisory only and does not bind the Company or its Directors. Notwithstanding, the Company respects a process that affords shareholders an opportunity to express their views on how the Company remunerates its Directors, the policy adopted by the Board, and how the Company remunerates and incentivises its Management, and will have due regard to the views expressed.

If there are no (more) questions on the resolution, I now put the resolution to the meeting as an ordinary resolution. In order for the resolution to be approved, at least 50% of the total votes cast



by Shareholders, either voting in person or by proxy and being entitled to vote at the meeting, must be in favour of the resolution. Voting will proceed by "show of hands".

The proxy details take into account the Voting Exclusion Statement which addresses recent changes to the Corporations Act. These changes are outlined in the Notice of Meeting but importantly, the Company is now required to disregard any votes cast on Resolution 4 by or on behalf of a member of Key Management Personnel of the Company whose details of remuneration are included in the Remuneration Report or a closely related party of such a member. The Company will however not disregard a vote by the chairman if a shareholder is not a Key Management Personnel or a closely related party of a key management personnel, and have not specified directions on how to vote. In such cases, the shareholder will be taken to have directed the chairman to vote in accordance with the chairman's stated intention to vote in favour of this resolution.

Note that if 25% or more of votes that are cast are voted against the adoption of the Remuneration Report then a further resolution will be put to Shareholders (a "spill resolution") and that another meeting be held within 90 days at which all of the Company's Directors (other than the Managing Director) must go up for re-election.

RESOLUTION 5 – BOARD SPILL VOTE – (this resolution will only be put to meeting if a second strike vote is passed on Resolution 4)

SLIDE RESOLUTION 5

The resolution and proxy details are displayed on the screen behind me. The resolution is the same as resolution 5 in the notice of meeting

To consider, and if thought fit, pass the following resolution as an ordinary resolution:

"That:

- (a) an extraordinary general meeting of the Company (the 'Spill Meeting') be held within 90 days of the passing of this resolution;
- (b) all of the Non-Executive Directors in office when the Board resolution to make the directors' report for the financial year ended 30 June 2012 was passed (being Craig Coleman, Andrew Moffat, Ian Hunter and John Wilson) and who remain in office at the time of the Spill Meeting, cease to hold office immediately before the end of the Spill Meeting; and
- (c) resolutions to appoint persons to offices that will be vacated immediately before the end of the Spill Meeting be put to the vote of shareholders at the Spill Meeting."



This resolution will only be put to the AGM if at least 25% of the votes cast on the resolution to adopt the Remuneration Report (Resolution 4) as cast against the adoption of the report.

Closure

If there are no (further) questions, I now declare the meeting closed. Thank you once again for attending