

RXP SERVICES LIMITED
ABN 30 146 959 917

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RXP Services continues to evolve with The Works acquisition

RXP Services Limited (ASX: RXP) is delighted to announce that, in line with its digital strategy, it has entered into an agreement to acquire one of Australia's leading digital and creative agencies, The Works Pty Ltd. The acquisition extends RXP's digital customer experience delivery capability and increases the Company's presence in NSW.

The Purchase is to be funded by a mix of capital raise, existing cash reserves, and debt facilities.

Commenting on the acquisition, RXP CEO Ross Fielding said, "The acquisition of The Works just makes sense. It's a really strong fit with RXP's evolving business model as we continuously seek to grow our digital services offering. The future is about digital, and the acquisition of The Works significantly enhances our capabilities in this area.

"In addition to extending RXP's already strong digital customer experience delivery capability, it also increases our presence in NSW and further diversifies our customer and revenue base. We strongly believe this acquisition will allow a deeper level of client engagement and, therefore, drive greater client engagement. My team and I are really excited by this acquisition and look forward to joining forces as we continue our evolution," said Mr Fielding.

Damian Pincus, co-founder at The Works said, "In RXP we have found a future focused, innovative and culturally aligned partner at a time when the business of marketing communications continues to undergo significant disruption. Clients increasingly want to engage with consumers at a deeper and more personal level and as digital transformation specialists RXP have a wealth of experience in this area. This is an exciting partnership and will complement our core brand strategy and creative offering enabling us to further deliver for our clients and people."

Having established itself in Sydney in 2002, The Works has developed a unique set of services and a refreshing client approach that has seen them named as Independent and Customer Experience Agency of the Year, in addition to winning local and international awards for advertising effectiveness.

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Strategic rationale

The addition of The Works will provide RXP further scope to capitalise on Australia's rapidly growing digital economy, which is valued at over \$70 billion, and is fully aligned with the Company's strategy to be a leading digital partner.

This acquisition will dramatically strengthen RXP's "end-to-end" delivery capability for its clients by connecting brand strategy and creative to the Company's existing client work. This will ensure a deeper level of engagement with current clients, as well as representing higher value work and significant cross-sell revenue opportunities.

More information regarding this acquisition and the associated capital raise, will be provided at the re-commencement of trading on or before Thursday 3rd August 2017. The trading halt will remain in place until this time.

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About RXP Services Limited

RXP is a leading digital services consultancy in the Asia Pacific region. Our consultants bring creativity, technical expertise and industry experience. We develop digital solutions for our clients, modernise their processes and improve their bottom line. The combination of creativity, technology and insights simplify the way people access services in the digital age.