

**ASX ANNOUNCEMENT: CUP**

Monday, 29 May 2017



**CHIEF EXECUTIVE OFFICER AND MANAGING  
DIRECTOR CONTRACT FINALISED  
APPOINTMENT OF GENERAL COUNSEL &  
COMPANY SECRETARY  
SALE OF MEMBER FIRM**

The Board of Countplus Limited is pleased to have finalised a five-year term of contract with Mr Matthew Rowe, Managing Director and Chief Executive Officer of Countplus. Mr Rowe was appointed as a Director of the company in October 2016 and appointed to the role of Managing Director and CEO on 24 February 2017. Summary of the key terms of the contract are set out in this announcement.

Countplus Chairman, Ray Kellerman, commented on this announcement: "The Countplus Board is delighted to have a five-year commitment from Mr Rowe to lead the transformation of Countplus and our revitalised growth strategy. Mr Rowe has agreed to a lower base salary than previously paid. The contract outlines an incentive structure aligned to delivering for Countplus clients, member firms, people and shareholders. This incentive structure is based on short-term and long-term performance criteria, the satisfaction of which is assessed by the Board. Details of this are included in the attachment. We also note that Mr Rowe has become a top 20 shareholder in Countplus, purchasing shares on market soon after his appointment as CEO and Managing Director."

**Mr Angus Finney**

The company has announced the appointment of Mr Angus Finney as General Counsel and Company Secretary. Mr Finney is a senior and experienced legal, compliance and risk management executive with over 20 years' professional financial services experience. His appointment will commence on 17 July 2017.

Mr Finney has a broad range of financial services and general corporate experience including funds, derivatives, wealth management, custody, infrastructure, private equity, M&A, alternative assets and structured products as well as general corporate and employment law.

His previous roles include experience with MLC / NAB Asset Management, UBS (Wealth Management and Global Asset Management), Babson Capital, CMC Markets and King Wood Mallesons.

### **Sale of CBC Financial Advisers**

The company has divested its shareholding in NSW-based CBC Financial Advisers. Countplus acquired CBC Financial Advisers in August 2010.

Mr Rowe commented: “The company has successfully sold its shareholding in CBC Financial Advisers, representing an over \$800,000 profit for Countplus. The sale results from a strategic review of operating assets within Countplus.

### **Strategic Review**

This strategic review continues and the company is in advanced discussions with a number of its’ leading firms for the principals to buy back equity in their firm. Countplus’ strategic intention is to be an investor in high-quality practices, not necessarily be a 100 per cent owners of such firms. It is our aim to become Australia’s leading network of professional accounting and advice firms, aligned through shared values, mutual success and our sense of community.”

### **For further information please contact:**

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## Summary of the Key Terms of the Employment Contract between Countplus Limited and Mr Matthew Rowe

### 1. COMMENCEMENT DATE

Mr Matthew Rowe's employment contract commenced on 24 February 2017 (back-dated). Mr Rowe's appointment is for a five (5) year period.

### 2. REMUNERATION

- *Fixed Remuneration*

Mr Rowe will receive an annual base salary of \$410,000 plus superannuation.

- *Short-Term incentive*

Mr Rowe will participate in a short-term incentive up to 100% of his base salary commencing 1 July 2017 and assessed to 30<sup>th</sup> June 2018. Key performance metrics will be set by the Countplus Board and performance will be assessed by the Board in its absolute discretion against these metrics.

Where Mr Rowe is eligible for payment of a short-term incentive, payment would be made as follows:

2/3rd cash payment within 30 days of the Approval Date;

1/6th cash payment 12 months from the Approval Date; and

the remaining 1/6th cash payment 24 months from the Approval Date.

- *Long-Term incentive*

Subject to both shareholder approval at the relevant Annual General Meetings held in or around November each year and the absolute discretion of the Board, on an annual basis, Mr Rowe would be granted a specific number of performance rights for shares in the Company.

Performance Rights are an entitlement to be allocated a share in Countplus at a future time, subject to the satisfaction of various performance and employment hurdles set out as follows:

**Time-based service condition:** Mr Rowe must normally remain in continuous employment with the Company for a minimum period of 3 years from the granting of the relevant tranche of Performance Rights and up to and including the date on which he meets the relevant performance hurdles for the relevant tranche.

**No notice condition:** Mr Rowe must not be serving out any period of notice of termination at the Vesting Date; and

**Three-year rolling performance hurdles:** the relevant performance hurdles (with each hurdle being applicable to 50 per cent of the relevant tranche of Performance Rights, acting independently of each other) are:

- 12.5 per cent per annum diluted compounded earnings growth per Company share (**Diluted EPS**) averaged over three consecutive financial years commencing from 1 July of the year of grant; and
- Return on equity (**ROE**) of 15 per cent per annum averaged over three consecutive financial years commencing from 1 July of the year of the grant.

For the avoidance of doubt, the grant date of any annual tranche of Performance Rights granted to Mr Rowe will be the date of the relevant AGM when shareholder approval of that tranche is given.

### 3. TERMINATION

Mr Rowe's employment contract may be terminated by the Board at any time on 6 months' notice.

### 4. RESTRICTIVE COVENANT

Mr Rowe will be subject to post-employment, non-solicitation restraints for a period of 12 months from cessation of employment with Countplus.

Mr Rowe will be subject to post-employment, non-compete restraints for a period of 6 months from cessation of employment with Countplus.