

# XENITH IP GROUP LIMITED (ACN 607 873 209)

## ASX ANNOUNCEMENT

1 August 2017

### CEO Transition

The Board of Xenith IP Group Limited (Xenith) has announced the appointment of an incoming CEO and Managing Director with effect from 9 August 2017. Stuart Smith, the current CEO and Managing Director, will continue as an executive director on the Board of Xenith in conjunction with a new role as Head of Corporate Development.

The last financial year has been transformational for Xenith, with the acquisition of the Watermark and Griffith Hack businesses and the launch of Glasshouse Advisory. Xenith is now the second largest listed intellectual property services group in Australia.

Investors are expecting the successful integration of the Shelston IP, Watermark and Griffith Hack businesses into the Xenith Group, and the realisation of synergies which were an important part of the rationale for the acquisitions. At the same time, a key strategic priority for Xenith is to pursue further growth opportunities, both onshore and off-shore.

To these ends, it has been agreed that Stuart Smith will focus on growth opportunities, both in Australia and in South East Asia, while completion of the integration and the overall management of the Group's core business will be undertaken by a leader with deep general management experience, including experience in the listed company environment.

Following an extensive search, the Board is pleased to announce the appointment of Craig Dower as incoming CEO. Craig is also expected to be appointed Managing Director in the near future. Craig's most recent role was as CEO of Salmat Limited (ASX:SLM).

Craig is an experienced listed company CEO, and has also held a number of senior executive roles in several unlisted companies. Craig has had a diverse career, with a particular focus on IT and professional services. Craig has accumulated a depth of general management experience, commencing with his role as Chief Information Officer of Mallesons in the early 1990s. Craig has lived and worked in Asia and has had regional responsibility for Asia Pacific and China in several previous roles.

A summary of the material terms of Craig's employment is attached.

As the CEO and Managing Director of Xenith, Craig will be based in Sydney but will be visiting the other offices on a regular basis. The Executive General Managers of Shelston IP, Griffith Hack and Watermark will report directly to Craig.

Stuart Smith will continue as an executive director on the Board of Xenith in conjunction with his new role as Head of Corporate Development, and will continue his oversight of Glasshouse Advisory.

Chair of the Xenith Board, Sibylle Krieger said: "The Board would like to thank Stuart for doing so much of the early heavy lifting, not only in taking Shelston IP to IPO, but also in originating and completing the Watermark and Griffith Hack acquisitions. A great deal of vision, energy and sheer persistence were invested to create the second-largest listed IP Group in Australia.

The Board is looking forward to working closely with Craig and Stuart in taking the Xenith IP Group forward."

#### For further information

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#### About Xenith

*Xenith IP Group Limited (ASX: XIP) is the holding company for the businesses of Griffith Hack, Shelston IP, Watermark and Glasshouse Advisory and their related corporate entities. The Group's core business is to provide a comprehensive range of IP services including identification, registration, management, valuation, commercialisation and enforcement of IP rights for a global client base including Fortune Global 500 companies, multinational, domestic and foreign corporations, research institutes, educational institutions, SMEs and entrepreneurs.*

## **Summary of material terms of the Executive Service Agreement between Xenith IP Group Limited and Craig Dower**

1. Commencement date: Craig Dower will commence employment in the position of CEO of Xenith IP Group Limited on 9 August 2017. Mr Dower's appointment is on-going with no fixed term.
  2. It is also expected that Mr Dower will be appointed to the Board as Managing Director.
  3. Remuneration: Mr Dower will receive a fixed annual remuneration (FAR) of \$600,000 inclusive of superannuation. Mr Dower will be eligible for an annual short-term incentive (STI) with an opportunity of 50% of his FAR, subject to achievement of key performance indicators determined by the Board. 50% of the STI will be paid in cash with 50% of the STI being deferred for 24 months and met through the issue of Service Rights which require shareholder approval. Subject to shareholder approval Mr Dower will also be awarded an annual long term incentive (LTI) of 50% of his FAR. The award of LTI will be subject to applicable vesting conditions determined by the Board. Full details of the Service Rights and LTI will be provided in the notice of general meeting.
  4. Termination: The agreement may be terminated by either party at any time on 6 months' notice. Mr Dower's employment may also be terminated immediately without notice for certain defined causes.
  5. Restrictive covenant: Mr Dower will be subject to a post-employment restraint for 12 months during which he may not be employed by a competitor of Xenith or involved in the business of a competitor.
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