

Love Group Global Ltd (ASX: LVE)

2 August 2017

Update on Managing Director/CEO Remuneration

Love Group Global Ltd (the **Company**) has agreed to update the employment terms of Managing Director and CEO, Mr Michael Ye, to reflect the pivotal role he has played in significantly expanding the Company's operations and revenue growth.

After engaging with an independent remuneration consultant and an extensive review of remuneration practices for employees and executives, the Company has decided to adopt a mixture of short term incentives (**STI**) and long term incentives (**LTI**). The use of an STI and LTI component is consistent with the Company's objectives for remuneration, which includes providing competitive remuneration packages to attract and retain high calibre senior executives, having a meaningful portion of remuneration "at risk", and importantly, a focus on growing shareholder value.

The details of the restructured Managing Director and CEO remuneration package is outlined in the table below. The Company intends to shortly despatch a Notice of Meeting to approve the LTI portion of the remuneration package, which consists of Performance Rights.

Component of Remuneration	Current Remuneration	Revised Remuneration Structure
Total fixed remuneration (TFR) (comprising annual salary and exclusive of any statutory contributions)	HK\$121,000 per month	\$286,000 per annum
Cash Bonus under Short Term Incentive (STI) Plan	Nil	Up to \$143,000 per annum (capped at 50% of TFR) and payable only if the Company achieves operating cash flow profitability for financial year 2018. Cash Bonus payable will be equivalent to 5% of base salary upon achievement of A\$5.0m in customer cash receipts for financial year 2018, with additional 5% of base salary awarded for every additional A\$500k in customer cash receipts above A\$5.0m

Performance Rights under the Long Term Incentive (LTI) Plan	Nil	<p>1) Class A Performance Rights: 666,667 shares vesting upon achievement of A\$0.40 share price over any 20-day VWAP on or before Jun 30, 2019, escrowed until Jun 30, 2020, and remaining employed at end of FY19</p> <p>2) Class B Performance Rights: 666,667 shares vesting upon achievement of A\$0.60 share price over any 20-day VWAP on or before Jun 30, 2020, escrowed until Jun 30, 2021, and remaining employed at end of FY20</p> <p>3) Class C Performance Rights: 666,667 shares vesting upon achievement of A\$0.80 share price over any 20-day VWAP on or before Jun 30, 2021, escrowed until Jun 30, 2022, and remaining employed at end of FY21</p>
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For and behalf of the board

Tony Harris

Non-executive Chairman

E: tony@lovegroup.co