

7 May 2020
ASX Announcement

Mainstream renews CEO contract

Mainstream Group Holdings Limited (ASX: MAI) is pleased to announce the renewal of the employment contract of its Chief Executive Officer, Martin Smith.

Martin's new contract is effective from 1 May 2020 with a term of three years.

Martin has served as the CEO of Mainstream since May 2017, when Byram Johnston stepped down to focus on his role as Group Chairman.

Martin is a co-founder of the Group, having served as a Director since 2006, and remains the Group's largest shareholder.

During his three year tenure as CEO, Martin has led the Company to achieve numerous key milestones, including:

- Extending the Group's strong financial track record, including revenue growth from \$29 million to \$50 million and EBITDA growth from \$4.3 million to \$7.4 million (from FY17 to FY19)
- \$73 billion increase in funds under administration, from \$114 billion to \$187 billion
- Significant investment in technology, data and automation to deliver efficiency and compliance to clients and their investors
- Re-signing of the Group's two largest client contracts
- Build out of the Group's global operating model including depth in regional leadership
- Strong organic growth in the Group's core markets of Australia, Hong Kong, Singapore and USA
- Acquisition of Trinity Fund Administration in Ireland and the Cayman Islands
- A number of successful capital raisings to fund growth investments and broaden the Company's shareholder base

The terms of Martin's new contract are attached in Schedule 1. There are no changes to his fixed remuneration, apart from a temporary 30% reduction in response to adverse market conditions under COVID-19, as announced to the market on 23 March 2020.

This announcement was authorised by the Board of Directors.

More information

For more information, contact:

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About Mainstream Group Holdings

Mainstream Group Holdings Limited (ASX: MAI) provides fund and superannuation administration services underpinned by investment in people, processes and technology.

As at March 2020 the Group provides administration services to 1,042 funds and more than 88,000 investors with funds under administration in excess of AUD \$187 billion.

Mainstream employs 274 people, with operations in Australia, Singapore, Hong Kong, the United States, the Isle of Man, Malta, Ireland and the Cayman Islands.

For more information, please visit: www.mainstreamgroup.com.

Schedule 1: Summary of the key terms of Martin Smith's CEO employment contract extension

Description	Content
Position Title	Chief Executive Officer
Term	3 years
End date	30 April 2023
Remuneration	Consists of base salary and the long term incentives described below
Fixed remuneration	Salary \$490,000* per annum including statutory superannuation
Short term incentives (STI)	N/A
Long term incentives (LTI)	<p>Annual entitlement to up to 500,000 performance rights to vest over three equal tranches over three years under the Company's Employee Share Plan, subject to shareholder approval.</p> <p>The purpose of the grant of performance rights under the LTI is to incentivise the CEO to achieve the following performance conditions for the relevant performance year:</p> <ul style="list-style-type: none"> › Achievement of Group and subsidiary forecast revenue and earnings targets for the relevant financial year › Achievement of Group customer satisfaction and retention levels › Successful implementation of programs that support the Group's growth strategy including acquisitions › Successful management of Group risk and compliance › Achievement of employee engagement metrics
Termination provisions	› Termination: 6 months' written notice

Restraint provisions	> 24 month restraint on soliciting clients
	> 12 month restraint on non-compete

* In light of current market conditions, the CEO has agreed to temporarily reduce his salary by 30% from 1 April 2020. This arrangement will be reviewed monthly.