

Via ASX Online**ASX ANNOUNCEMENT – 17 August 2020**ASX Market Announcements Office
ASX Limited**ASX Code: EAS****2020 Annual General Meeting and Succession Plans****HKNSW Proposed Sale Transaction**

On 20 July 2020, the Directors of Easton Investments Limited (**Easton** or **the Company**) advised that a conditional sale agreement had been entered into by Easton to sell its 33.3% equity interest in Hayes Knight (NSW) Pty Limited (**HKNSW**).

A condition precedent of the proposed sale (which is being treated as a related party transaction for the purposes of the ASX Listing Rules) relates to Easton obtaining the approval of its shareholders at a meeting of the Company.

2020 Annual General Meeting

Given this requirement and rather than hold a separate meeting for this specific purpose, the Board has decided to bring forward the Company's Annual General Meeting to 10.30am (Sydney time) on 1 October 2020 (historically, the Company's AGM has been held in late November each year).

There are obvious cost and efficiency benefits in holding one shareholder meeting rather than two, with no discernable offsetting reasons to hold separate meetings. In fact, bringing forward the AGM as proposed to a date closer to the end of the prior financial year makes good sense from a relevance and timing perspective.

Due to the Australian Government's recent restrictions and related concessions with respect to indoor gatherings (in response to the COVID-19 pandemic), this year's AGM will be held online via a live ZOOM teleconference with strictly no shareholders in physical attendance.

The Notice of AGM and an accompanying Proxy Form will be available on the Company's website on 28 August 2020.

Succession Plans

On 17 February 2020, the Directors advised that the Managing Director, Mr Greg Hayes, had given notice of his plans to retire as managing director of the Company at or around the time of the 2020 AGM.

With Mr Hayes' pending retirement, the Board has decided to move to an interim arrangement which simultaneously involves:

- (a) The appointment of the Chairman, Mr Kevin White, to the role of Executive Chairman and interim Managing Director; and
 - (b) The appointment of Mr Hayes to the Board as a non-executive director.
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This interim arrangement will come into effect immediately after the forthcoming AGM and has a 12-month horizon.

The Board has taken this decision given its intention to pursue strategic opportunities over the next 12 months following the appointment of Grant Samuel Corporate Finance as the Company's corporate adviser at the end of last year. An interim appointment will provide the Company with greater flexibility if additional, senior management capability is gained through a possible, significant transaction during this time. At the same time, the COVID-19 restrictions remain an impediment to the search for a new, replacement managing director, which is clearly a critical decision for the Company and its future prospects.

As Easton's Chairman for the last 5 years, Mr White has an excellent understanding of the Company, its businesses and its senior management team. He has also worked closely with Grant Samuel since their appointment to reposition and reshape the Company with a simpler asset structure (including the proposed sale of the Company's interest in HKNSW) as a precursor to investigating strategic opportunities considered capable of creating shareholder value.

From 1996 until 2011, Mr White was Managing Director of WHK Group Limited, an ASX listed company operating in the financial services sector with an aggregation strategy across accounting and financial planning practices. He was appointed Easton's Managing Director in May 2013 and stepped down to become Chairman in 2015.

Importantly, the Company will retain Mr Hayes' knowledge, insight and understanding of both the Company and the financial services sector in his role as a non-executive director.

Mr Hayes has led the Company for just on 6 years and has made a tremendous contribution during this period. He steps down from his executive role with the Company in good shape, on a strong financial footing and with excellent growth prospects.

As a non-executive director of the Company, Mr Hayes will play a valuable role, including by continuing on the subsidiary boards of both Knowledge Shop and Tax Banter, two important businesses which contribute strongly to Easton's earnings.

Directors re-iterate that these arrangements are of a temporary nature and plan to return to a more normal Board and management structure over the designated 12-month period.

Material Contract Terms of Employment

The Company has entered into a new employment contract with Mr White on the following material terms and conditions:

- Commencement Date:
 - 1 October 2020 (at the conclusion of the Company's 2020 AGM)
- Term and Notice
 - Contract term of 12 months
 - Either party may terminate employment by giving 6 months written notice.



- Remuneration
 - Base Salary, including superannuation, of \$300,000 per annum
 - No performance based or *at risk* component
- Confidentiality and Restraints
 - Normal commercial restrictions and obligations apply.

Full Year Results

The Board expects to release the Company's full year results to the market on 27 August 2020.

Authorised for release by Kevin White, Chairman.

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