

ASX Announcement (SOV)

31 January 2023

Appointment of Chief Executive Officer and Managing Director

Sovereign Cloud Holdings Limited (“**AUCloud**” or “**Company**”), is pleased to announce the appointment of Mr Peter Maloney as its new Chief Executive Officer and Managing Director, effective immediately.

Phil Dawson, AUCloud’s founder, will assume the role of Executive Director, focused on product development and government relations. Mr Dawson will report into Mr Maloney and will continue on the Board.

Mr Maloney is an experienced CEO having led several Australian technology companies over the past 20 years. Most recently, he was Managing Director of Dye & Durham Australia, a subsidiary of Canadian listed, Dye & Durham Ltd (TSX:DND), having been elevated to this position following DND’s acquisition of GlobalX in July 2021. As CEO, Mr Maloney led GlobalX through the transition from being a founder led start-up to a more mature organisation generating annual revenues of approximately A\$90 million.

Commenting on the appointment, AUCloud’s Chair Cathie Reid said:

“Having previously worked with Peter at APHS Packaging several years ago, I am delighted to have him join the AUCloud team. Peter’s experience in the leadership of some of Australia’s leading technology companies will greatly assist AUCloud as it seeks to consolidate its significant investment to date in sovereign cloud infrastructure services.”

Ms Reid also noted:

“Phil will continue to play an important role going forward as he supports Peter and the AUCloud team with the development of new products and strategies focusing on Australian Government, Defence, Intelligence, and critical industry communities.”

Mr Maloney’s employment terms are summarised at Annexure A.

This ASX announcement was authorised for release by AUCloud’s Board of Directors.

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Annexure A: Summary of key terms of Managing Director & CEO's Employment Agreement

Position	Chief Executive Officer and Managing Director
Commencement Date	30 January 2023
Term	Ongoing (see 'Termination of Employment' below)
Fixed Remuneration	\$400,000 (including superannuation), reviewed annually.
Short-Term Incentive (STI)	<p>Cash payment equal to 50% of Fixed Remuneration.</p> <p>Payment of the STI is subject to satisfaction of performance conditions to be set by the Board after commencement of the CEO's employment.</p> <p>In the event of fraud, dishonesty, breach of obligations, or in the opinion of the Board the payment of the STI would result in an inappropriate benefit, the Board may make a determination, including non-payment of the STI.</p>
Initial Equity Award	<p>Grant of 1,500,000 options with \$nil exercise price.</p> <p>The options will vest if the following conditions are satisfied (Vesting Conditions):</p> <ul style="list-style-type: none"> • Condition 1: SOV's VWAP is greater than \$1.00 (Target Share Price) <ul style="list-style-type: none"> ○ VWAP: 15-trading day volume weighted average price ○ Period: 15 trading days after the date of release on ASX by the Company of its Appendix 4D for the half year ended 31 December 2025 (1HFY26 Results) • Condition 2: at the time of satisfaction of Condition 1, the CEO has remained employed or engaged by the Company. <p>Subject to the terms of the Company's Employee Share Option Plan.</p> <p>The options will expire on the earlier of:</p> <ul style="list-style-type: none"> • 31 December 2027; • the date on which Condition 1 of the Vesting Condition becomes incapable of being satisfied; or • the date on which the CEO ceases to be employed or engaged by the Company for any reason.
Long-Term Incentive (LTI)	From year 2, an annual award for LTIs equivalent to 100% of Fixed Remuneration, subject to performance and vesting conditions set by the Board and approved by shareholders from time to time
Termination of Employment	Either party may terminate the employment agreement upon six months' notice in writing.
Post-Employment Restraint	12 months restraint period.

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Further information, please contact:

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About AUCloud

AUCloud is Australia's sovereign cloud Infrastructure-as-a-Service (IaaS) provider, exclusively focused on the Australian Government, Defence, Intelligence, Critical Industry communities and security conscious enterprises.

Located, owned, and operated in Australia by security cleared Australian citizens, all AUCloud services and the hosted data, remains in Australia. This includes customer data, account data, metadata, support and administrative data and derived analytics data.

AUCloud is Certified Strategic in accordance with the DTA's Hosting Certification Framework, Cloud Assessed and Authorised under the Australian Cyber Security Centre's framework to support Protected data, a VMware Sovereign Cloud Provider and ISO27001 certified across all aspects of the business.

AUCloud enables customers to benefit from sovereign data protection with the scale, automation, elasticity, and lower costs associated with hyperscale public cloud offerings.

For further information, please visit: AUCloud – Australian Sovereign Cloud (www.australiacloud.com.au)

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