



CSG Limited
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14 March 2019

ASX announcement

Leadership changes

The Directors of CSG Limited (ASX: CSV) have determined that for the Company's strategic transformation program and growth strategy "CSG 2021" to be best implemented, a change of leadership is required.

As a result, Mark Bayliss, CSG's Chairman and Executive Director, has been appointed Acting CEO & Managing Director, and has stepped aside from the Chairman's role. Once "CSG 2021" is further progressed, the Board will undertake a selection process for a CEO & Managing Director.

Julie-Ann Kerin has stepped down from the role of CEO & Managing Director and has resigned as a Director of the Company, effective immediately.

Bernie Campbell has been appointed Independent non-executive Chairman.

Commenting on this leadership change, Mr Campbell said: "Significant efforts have been made to revitalise the company's culture and strategy, and position the business for sustainable growth. Our strategic transformation program is not over yet, and we still have a lot to do in 2019. Today's change in CEO & Managing Director is the next step in this process. I would like to thank Julie-Ann for the hard work and commitment she has given CSG during her time here, and wish her all the very best in her future endeavours."

"Mark is well known to CSG's senior leadership team and shareholders, having led the team responsible for CSG's cultural change and operational transformation, returning the Company to growth and strengthening its balance sheet. Appointing Mark as Acting CEO & Managing Director will ensure that the Company's transformation program and growth strategy "CSG 2021" will be best implemented", added Mr Campbell.



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Prior to joining the CSG Board, Mr Bayliss was the CEO of Grays eCommerce Group, transforming and growing that business, significantly increasing revenue and EBITDA. Prior to that Mr Bayliss was the CEO of Quick Service Restaurant Holdings where he developed a business-wide growth strategy for a national fast food chain, and before this a Partner at Anchorage Capital, a private equity fund specialising in the turnaround of underperforming businesses, as well as CFO roles at Australian Discount Retail and Fairfax Media.

Mr Bayliss will be employed as Acting CEO & Managing Director on equivalent terms to those that previously applied to Ms Kerin, other than Mr Bayliss' existing Performance Rights that will remain unchanged. The material terms of Mr Bayliss' employment are outlined in Schedule 1.

On 21 February 2019, CSG reported that it was on track to achieve previous underlying FY19 EBITDA guidance of \$17 million to \$20 million. The change in leadership announced today is not expected to impact that outcome.

END -

Further Information:

Corporate

Mark Bayliss

Executive Chairman & Acting CEO

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Schedule 1

Summary of the material terms of Mark Bayliss' employment as Acting CEO & Managing Director of CSG Limited (Company)

Key terms	Details
Commencement date as Acting CEO & Managing Director	14 March 2019.
Term / Notice	<p>Employment from the commencement date until the employment of a new CEO & Managing Director, unless otherwise agreed between the Company and Mr Bayliss.</p> <p>Either the Company or Mr Bayliss have the right to terminate Mr Bayliss' employment at any time during this period with 6 months' written notice.</p> <p>Mr Bayliss' employment may also be terminated immediately without notice in the case of serious misconduct.</p>
Total Fixed Remuneration (TFR)	Base salary of \$650,000 per annum, including superannuation.
Short Term Incentive (STI)	<p>Mr Bayliss will be eligible to participate in the Company's STI plan, under which a cash bonus of up to \$200,000 per annum is payable, subject to the satisfaction of key performance indicators.</p> <p>Any STI payable includes superannuation contributions.</p> <p>The STI does not form part of the TFR for any purpose, including the calculation of notice, payment in lieu of notice or any other entitlement.</p>
LTIPs and Escrow Shares	<p>Mr Bayliss will retain his:</p> <ol style="list-style-type: none"> 1. 5,000,000 Performance Rights; and 2. 4,000,000 of Escrowed Shares, <p>on their existing terms, as summarised in the Company's ASX announcement of Mr Bayliss' appointment as Executive Chairman on 25 June 2018.</p>
Post-employment restraint	A 6 month restraint provision applies.