

Milton Corporation – Appointment of Managing Director and Chief Executive Officer

The Board of Milton Corporation (ASX: MLT) is pleased to announce the appointment of Brendan O’Dea as Managing Director and Chief Executive Officer with effect from 1 August 2018.

Mr. O’Dea, who was appointed Deputy CEO in January 2018, has worked closely with current Managing Director and Chief Executive Officer, Mr. Frank Gooch, on all facets of the business to ensure an orderly transition.

Mr. Gooch said, “Brendan’s skills as a leader, investor and business manager have been apparent throughout this transition period and I am delighted that he has been appointed to succeed me upon my retirement at the end of July.”

Mr. O’Dea is a highly experienced executive, having spent 22 years with Citigroup in Sydney, Hong Kong, New York and Tokyo. He holds a Bachelor of Economics (Sydney), a Masters in Business Finance (UTS) and is a Chartered Accountant.

Milton’s chairman, Mr. Robert Millner said, “This leadership transition has proceeded smoothly with Brendan actively participating in the investment process and meetings of Directors. We believe he is well prepared to join the Board and we are confident that he will be an outstanding leader of the company.”

Of his appointment Brendan said: “I am humbled by the opportunity to succeed Frank and would like to thank the Board for their support. Whilst transitioning to this role I have had the opportunity to work closely with the Board and Executive team, and to meet many of our stakeholders. I know that I inherit a business that has been well managed, is performing very strongly and has a clear sense of purpose. The investing and business environment increases in complexity constantly and I look forward to ensuring that Milton remains as relevant in the future as it is today and maintains its clear purpose to serve its shareholders.”

The Board would also like to acknowledge the leadership and significant contribution of Mr. Frank Gooch. Mr. Gooch joined Milton in 1996, was appointed as CEO in 1999 and Managing Director in 2002. Mr. Gooch has overseen a period of substantial growth for the company with total assets growing from \$0.2Bn to \$3.0Bn, and leaves Milton with profits and dividends at record levels. Mr. Gooch is highly respected in the market and the LIC industry, furthering the development of the LIC sector through his involvement in industry bodies. The Board wishes Frank and his family well in his retirement and thanks him for his steadfast leadership.

Summary of Key Terms and Conditions of Mr. O’Dea’s Employment with Milton Corporation

1. Appointment

Appointed as Managing Director and Chief Executive Officer effective 1 August 2018.

2. Term

The appointment is permanent and full time. There is no fixed term.

3. Remuneration

Total Employment Cost Package (TECP)

- Base salary of \$596,672 (gross) per annum, inclusive of superannuation entitlements.

Short term Incentive – Bonus

- Bonuses are not guaranteed but may be granted based on certain qualitative and quantitative measures and at the complete discretion of Milton’s Board.

Senior Staff Share Plan (SSSP)

- Mr. O’Dea will be entitled to participate in the SSSP, a long term incentive program. Grants under the SSSP are made at the complete discretion of Milton’s Board and are subject to certain restrictions on disposal.
- Mr. O’Dea will be granted an initial award of 200,000 shares under the plan.

4. Post-Employment restrictions

Mr. O’Dea is subject to certain non-compete and non-solicitation restrictions for a period of 12 months following termination.

5. Termination

Either Mr. O’Dea or Milton may terminate at any time on 12 weeks written notice, or in the case of Milton by paying the appropriate amount of TECP in lieu.