

## Outcome of Board Review

**24 May 2017, Melbourne:** The new Board of Praemium Limited have undertaken a comprehensive review of events up to and including the General Meeting held on 12 May 2017, at which the previous directors (Greg Camm, Robert Edgley, Andre Carstens and Peter Mahler) were removed from office.

The Board has satisfied itself that many of the statements made by the previous directors in the Notice of Meeting and various other communications, particularly in relation to the behaviour of the then CEO Michael Ohanessian, were exaggerated or without any foundation. The Board also concluded that Mr Ohanessian's dismissal was handled inappropriately and was not based on reasonable grounds.

The review included a detailed report from the Company Secretary, an independent review of board minutes, various communications, statements by the previous Chairman, a schedule of management presentations to the previous Board, discussions with various executives and consideration of the performance of Praemium's share price which exceeded Mr Ohanessian's TSR targets set by the previous Board.

The Board notes that the former directors incurred expenditure of \$972,372 in terminating the CEO, and defending the shareholder requisition which led to their removal. These expenses included the cost of a number of advisors (corporate advisors, legal, public relations, registry, investor engagement and governance support services, interim CEO placement and a proxy advisory service which it engaged). The actual cost of conducting the General Meeting (registry expenses, mail out of the Notice of Meeting and the hiring of meeting facilities) comprised \$29,000 of this total. All expenses will be accounted for as one-off costs (below EBITDA) in the 2017 financial year.

Praemium Chairman Barry Lewin said "The Board is very pleased to reiterate its support for Mr Ohanessian as the reinstated Chief Executive Officer and we look forward to working with him in continuing to drive growth and value for shareholders. Michael is a talented executive with strong integrity, who has led the management team over the entire period of the transformation of Praemium, which has also provided the Company with substantial opportunities. He has our complete confidence."

**About Praemium** (ASX: PPS): Praemium is a global leader in the provision of investment administration, Separately Managed Account (SMA) and financial planning technology platforms. Praemium administers in excess of 300,000 investor accounts covering approximately \$80 billion in funds globally, and currently provides services to approximately 700 financial institutions and intermediaries, including some of the world's largest financial institutions.

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