



ASX Announcement

19 June 2018

RECKON ENERGISES FOR THE FUTURE

Reckon Limited announces that its long serving Chairman, Ian Ferrier will retire effective on 1 July 2018.

Mr Ferrier said:

“I have been very proud to serve as both a director and later as chairman of Reckon Limited. I have witnessed the company compete with the very best and more than hold its own in a fiercely competitive market against international and local behemoths.

I am confident that the company is left in very safe hands as it continues its journey with a board of directors whose qualifications, experience, values, energy and commitment line up very well with the culture, focus and strategy of the group.”

Mr Ferrier will be replaced as Chairman by the current Deputy Chairman, Greg Wilkinson.

Mr Wilkinson has served as Deputy Chairman of the company since 2006. During his tenure, Mr Wilkinson has contributed a pragmatic approach to the decision making process of the board and played an important role in challenging management on their vision and strategy for the business.

Under the terms of the company’s constitution, Mr Wilkinson came up for mandatory re-election as a director at the company’s last AGM in late May 2018. Mr Wilkinson was re-elected by a resounding majority and has the support of the shareholders.

As a non-executive director Mr Wilkinson is in the unique position of still having an intimate knowledge of the business, its products, partners, and customers and the technology that drives business efficiency for small businesses and professionals. He is also involved as an investor in and mentor to several technology start-up companies.

Mr Wilkinson will continue to assert an independent challenge to the board and management. This is fortified by the fact that he is a large shareholder in the company which means in appropriate circumstances he aligns his actions with shareholders’ interests, including smaller shareholders.

Mr Ferrier has also committed to continue to act in an advisory capacity when necessary to assist Mr Wilkinson as Chairman.

Appointment of Philip Hayman as a Director

Reckon Limited is also pleased to announce that effective 1 July 2018 Philip Hayman will be appointed as an independent non-executive director of the Company.

Mr Hayman was one of the co-founders of Reckon in 1987, alongside Greg Wilkinson and was at various times in the early days of the company CFO and head of logistics.

He departed from Reckon in 2004, but has maintained his interest in Reckon through his ongoing shareholding.

Since leaving Reckon Mr Hayman has had varied general commercial experience through his investments in companies in start-up and first round capital raising phases. He has strong strategic finance acumen in both analytical and managerial accounting, excellent operational capabilities and strong compliance skills.

Mr Hayman is presently a director of an unlisted public company with manufacturing in China and sales in Australia and New Zealand. He also consults to an agricultural company with extensive holdings in southern NSW. And he currently owns and manages an accommodation company.

The board felt that it was timely to bring back Mr Hayman's broad entrepreneurial flair and energy to the company as it continues implementing its growth strategy.

Clive Rabie to become Managing Director

The Board has been giving careful consideration to an appropriate succession plan for current Group CEO, Clive Rabie, who has occupied that role since 2006. The Board now believes it is an appropriate time for Mr Rabie to begin a transition period to a new CEO.

To that end, effective 1 July 2018 Mr Rabie will be appointed as Managing Director. The move will enable Mr Rabie to step aside from his commitment to day-to-day operational responsibilities, allowing him to focus on corporate strategy and mergers and acquisitions while mentoring and overseeing the executive team during a transition period of about 2 years.

Current Group CFO, Chris Hagglund will continue in his existing role but will also take on operational responsibility for the Legal Practice Management Group

Sam Allert to be promoted to Chief Executive Officer

In parallel with Mr Rabie's shift in focus, Sam Allert, who was running the Australia and New Zealand operations, will assume the operational responsibilities of Chief Executive Officer effective 1 July 2018, reporting to Mr Rabie. Mr Allert will also be appointed as a non-executive director effective 1 July 2018.

Mr Allert joined Reckon APS in 1999, where he was one of the first employees in the APS business. Since then, he has held various roles within this division, from office management to sales management and more recently running the Australia and New Zealand operations including the Reckon One business.

Mr Allert's longstanding background with the business puts him in a strong position to lead the company into a new era, as it continues on its growth strategy and 'cloudification' journey.

The existing and new board of Reckon believe that collectively the composition of the new leadership team aligns well with the strategy, focus and values of the company.

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