
CLEANSPACE HOLDINGS APPOINTS NEW CEO

22 March 2023. CleanSpace Holdings Limited (ASX: CSX, “CleanSpace” or the “Company”), an Australian company that designs, manufactures, and sells premium respiratory protection solutions for healthcare and industrial markets, today announces that, following an extensive search process, it has appointed Graham McLean as CEO, effective immediately.

Mr McLean joined the CleanSpace Board in February 2022 and has been acting as Interim CEO since 10 January 2023.

CleanSpace’s Chair, Bruce Rathie said, “The Board has been impressed by Graham’s leadership of the business. He has demonstrated a commitment, energy and fresh approach to accelerating sales and facilitating the ongoing cost reduction initiatives. We are confident in his ability to lead the Company through the current challenges and return the Company to growth.”

Mr McLean is a very experienced senior executive, having worked with NYSE-listed Stryker for 16-years, and brings significant operational and healthcare experience. Stryker is a global company offering a range of products and services, including healthcare PPE, sold via distributors and direct sales. At Stryker, Mr McLean held several senior positions, including President, Japan, President Australia/New Zealand and President, Asia Pacific, based in Singapore and Hong Kong. During this time, Mr McLean was responsible for transforming Asia Pacific, including restructuring their China distribution to accelerate growth of the business, resulting in Asia Pacific becoming a fast growing, multi-billion-dollar sales region.

Mr McLean holds a Bachelor of Science Geography from Durham University, is a CPA, a Fellow of The Chartered Institute of Management Accountants and a Graduate Member of the Australian Institute of Company Directors.

Mr McLean said, “I am excited to have been appointed CEO and to have the opportunity to lead CleanSpace. In my time serving as Interim CEO, I have only become more convinced by the strength of the business fundamentals and its clear growth potential.”

The material terms of Mr McLean’s remuneration as CEO are disclosed in Schedule 1.

Mr McLean will continue as a Director of the Company but will no longer receive Director fees following his appointment as permanent CEO.

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Authorised for release by the CleanSpace Holdings Limited Board of Directors

FOR MORE INFORMATION

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ABOUT CLEANSPACE

CleanSpace is a Sydney-based designer and manufacturer of respiratory protection equipment for healthcare and industrial solutions, founded by a team of biomedical engineers with experience in respiratory medical devices. CleanSpace is passionate about continually improving health outcomes, safety and standards of care for people who need it most. In the last 20 years, technology has driven unprecedented advances in medical equipment and transformed people's health. We have brought this to personal respiratory protection. The Company continues to invest in research and development programs resulting in differentiated design and approved products that provide compelling employer and user benefits. CleanSpace Respirators are a true game changer.

The respiratory protection market is estimated to grow to US\$10b market with 6% CAGR over the next 6 years. CleanSpace has world class leading technology and advanced solutions for large employers and their staff that significantly increases the level of personal protection (40 times more than disposable masks); improves ease of use and compliance; and achieves material cost savings and sustainability for their operations. Superior protection for frontline workers means better health outcomes for millions of people, now and into the future.

SCHEDULE 1 – KEY TERMS OF MR MCLEAN'S EMPLOYMENT ARRANGEMENTS

A summary of the material terms of the employment arrangements between Cleanspace and Graham McLean is set out below:

Employing Entity	CleanSpace Technology Pty Ltd
Commencement Date	22 March 2023
Term (duration)	No fixed term, subject to termination provisions in the employment contract.
Total Fixed Remuneration (TFR)	\$361,991 per annum exclusive of superannuation contributions (\$400,000 in aggregate). The TFR is subject to annual review.
Short Term Incentive (STI)	Subject to the discretion of the board, Mr McLean has an opportunity to participate in any Short Term Incentive plan (STI) established by CleanSpace and receive up to 40% of TFR (\$160,000), inclusive of superannuation. The payment of the STI is directly linked to the achievement of Key Performance indicators (KPIs) established around various financial and operational performance targets, as determined by the board.
Long Term Incentive (LTI)	<p>Subject to the required shareholder approval, Mr McLean will be eligible to participate in the CleanSpace Long term Incentive Plan.</p> <p>The LTI award that will be subject shareholder approval at the CleanSpace 2023 AGM is:</p> <ol style="list-style-type: none">225,000 Restricted Share Units ('RSU's) with a vesting period of 3 years,<ol style="list-style-type: none">37,500 RSUs will vest on receipt of shareholder approval; andThe remaining 187,500 RSUs will vest in equal instalments (of 18,750) over the following 10 quarters; and525,000 Performance Rights ('PRs') with the following conditions:

- Tranche 1 – 175,000 PRs will vest if the CSX share price for any consecutive 60day period is \$1 or higher, on a Volume Weighted Average Price basis ('VWAP'),
- Tranche 2 – 175,000 PRs will vest if the CSX share price for any consecutive 60day period is \$1.75 or higher (on a VWAP basis),
- Tranche 3 – 175,000 PRs will vest if the CSX share price for any consecutive 60day period is \$2.50 or higher (on a VWAP basis)

These PRs will expire 90 days after the 2026 AGM.

Notice Period / Termination

Either party may terminate the CEO's employment for any reason by giving 3 months' written notice. Nil notice is required in the case of serious misconduct.

Other provisions

The agreement also contains general provisions regarding duties, leave entitlements, confidential information, intellectual property rights and restrictions.