



Ellerston JAADE Australian Private Assets Fund (Retail)

Investor Newsletter, July 2021

Investment Strategy

The Fund, through its investment in units in the Underlying Fund, invests in high growth private companies. The portfolio will be relatively concentrated and will aim to target between 10% - 20% of the Underlying Fund's NAV per investment across 6 - 8 Investee companies beyond the Initial Holding Period. Investee companies, with a minimum of \$10m in annual revenue and target growth of at least 20%.

Investment Team

Jamie Odell • David Leslie • Antonia Korsanos
• Anthony Klok • Justin Diddams

Key Information

| | |
|----------------------|----------------------------|
| Fund Inception** | 5 July 2019 |
| Strategy Inception^^ | 18 December 2018 |
| Structure | Open ended |
| Strategy FUM* | \$207m |
| NAV Price^ | \$1.3950 |
| Pricing | Quarterly |
| Management Fee | 1.75% (investable capital) |
| Performance Fee | 20% |
| Hurdle Rate | 8% (net of fees) |
| Distribution | Reinvest/Cash |

* includes capital inflows effective the end of the most recent quarter

^ NAV mid-price (post distribution)

Research

Zenith¹ (Rating: Recommended)

Platforms

Asgard, Ausmaq, Panorama, BT Wrap, Hub24, Macquarie Wrap, Netwealth, Powerwrap, XPlore Wealth, Morgan Stanley, uXchange

Performance Summary

| Performance | 3 Months | 6 Months | 1 Year | Since Inception (p.a.) |
|-------------|----------|----------|--------|------------------------|
| Retail^ | 11.3% | 11.2% | 27.8% | 29.3%** |
| Strategy* | 11.7% | 11.7% | 29.5% | 22.1%^^ |

^ Total return of the Ellerston JAADE Australian Private Assets Fund (Retail) ("Fund") as at 30 June 2021

* Net return on the Ellerston Australian Private Assets Fund (Wholesale) ("Underlying Fund"), in which the Fund is invested.

Portfolio Companies



| | | | |
|----------------------------|-----------------|------------------------------|----------------------|
| Initial Investment: | December 2019 | Industry Focus: | Travel/Accommodation |
| Invested Amount: | \$20m | Business Model: | SaaS Software |
| Current Fair Value: | \$17m | Ownership: | 2% of issued capital |
| Securities: | Ordinary Shares | Board Representative: | N/A |

Company Overview

SiteMinder is a cloud technology platform company for the hotel industry. The core products simultaneously connect hotels to booking websites and other distribution channels, enabling hotels to manage their inventory. It operates a subscription-as-a-service (SaaS) business model for clients. SiteMinder has grown to be the #1 hotel acquisition platform globally, with 35,000 subscription properties in +150 countries; with 7 offices, 850+ staff operating in 20+ countries serving 11 languages. For more information on SiteMinder, listen to our interview with CEO Sankar Narayan ([click here](#)).

Investment Thesis

SiteMinder is the market leading player in the channel management segment with a global sales footprint. There's one million potential customers in its target addressable market which represents a material opportunity to increase its penetration. Furthermore, SiteMinder is also building additional tools and applications for hotels to increase its share of spend in the segment.



| | | | |
|----------------------------|-----------------|------------------------------|---------------------------|
| Initial Investment: | November 2019 | Industry Focus: | Risk/Compliance/Planning |
| Invested Amount: | \$22m | Business Model: | SaaS Software |
| Current Fair Value: | \$43m | Ownership: | 39% of issued capital |
| Securities: | Ordinary Shares | Board Representative: | Jamie Odell, Anthony Klok |

Company Overview

Camms is an Australian based company, providing cloud products for the integrated risk management and performance management markets. The products integrate with other enterprise platforms to enable data collection for reporting and decision making. The company has two products ranked in the Gartner magic quadrant for their respective categories. The company has +50,000 users across five continents, with offices in Australia, Sri Lanka and UK.

Investment Thesis

Risk and compliance reporting segments are global and forecast to grow at mid-double digits in the next five years. The company already has an operational presence in UK and has commenced selling in the US on the back of its Gartner rating. Our investment enables the company to increase focus on sales & marketing.



Initial Investment: February 2019
Invested Amount: \$15m
Current Fair Value: \$47m
Securities: Ordinary Shares

Industry Focus: Disability and Aged Care
Business Model: Marketplace for Carers
Ownership: 17% of issued capital
Board Representative: Ashok Jacob, David Leslie

Company Overview

Mable is the leading marketplace platform for the "Home Care" sector, across both aged care and disability segments in Australia, connecting consumers with care workers. The key tailwind in the sector has been the shift in government policy to consumer directed spending and away from funding grants to care provider organisations. This shift means consumers and their families are actively looking for better value and personalised support, making Mable's platform appealing to a growing audience.

Investment Thesis

Mable has a first mover advantage in the provision of marketplace services for the aged care and disability sectors. The platform is leveraging technology to disrupt the traditional delivery of services by care providers in Australia. Total addressable market for the platform is \$10bn (of total \$42bn spent across these sectors) in September 2019.



Initial Investment: November 2020
Invested Amount: \$15m
Current Fair Value: \$15m
Securities: Preference Shares

Industry Focus: Industrial Companies
Business Model: Enterprise Software
Ownership: 34% of issued capital
Board Representative: Anthony Klok (Alternate: Justin Diddams)

Company Overview

Prospecta is a leading provider of data governance and master data management for enterprise clients, via its Master Data Online (MDO) platform, which is certified by both SAP and Salesforce. MDO's modules cover master data governance, data quality, supply chain logistics, workforce safety and partner collaboration. The business has more than 45 clients, including Visy, Optus, Dow Chemical, Hess, Mondelez and Fortescue & Brookfield.

Investment Thesis

The quality and control of data is gaining increasing importance amongst enterprises, particularly on the supply side. Prospecta is viewed as a domain expert in master data management, with a global addressable market and partners program to driver growth.



Initial Investment: December 2019
Invested Amount: \$30m
Current Fair Value: \$30m
Securities: Preference Shares

Industry Focus: Business / Data Analytics
Business Model: Enterprise Software
Ownership: 13%
Board Representative: Toni Korsanos (Alternate: David Leslie)

Company Overview

Phocas is a leading cloud-based SaaS BI software specialising in business intelligence and data analytics for mid-market customers in the Distribution, Manufacturing and Retail sectors. The Company has a diverse customer base of +2,000 clients across countries and industries, with majority annual recurring subscription revenue.

Investment Thesis

Company is well positioned to deliver continued growth; via new products and features, expanding its partnerships with ERPs and exploiting its existing international footprint in the US and UK (which represent +70% of revenue). Management forecasts +30% growth, before the additional investment, which should accelerate growth.



(New Investment)

Initial Investment: August 2021
Invested Amount: \$10m
Current Fair Value: \$10m
Securities: Preference Shares

Industry Focus: Financial Services
Business Model: Payment Platform
Ownership: 32%
Board Representative: Justin Diddams

Company Overview

Azupay is an emerging payment service provider enabling consumers, businesses and government to make and receive instant and safe payments on a 24/7 basis from a bank account without the need for a debit or credit card. The Company's products are built on the New Payments Platform (NPP), recently launched as a modern alternative to existing payment methods like card schemes, BPAY and direct entry.

Investment Thesis

Against the backdrop of a regulatory-led shift to digital payments, Azupay is well positioned to leverage its first mover advantage in the real-time payments market. The Company's technology is built and operational with clear user benefits over legacy methods, and has an experienced management team capable of helping the Company deliver on its robust growth forecasts.



(Exited)

Initial Investment: June 2019
Invested Amount: \$8m
Current Fair Value: Realised at 2.5x return (Dec 2019)
Securities: Ordinary Shares

Industry Focus: Financial Services
Business Model: Payment Platform
Ownership: 2%
Board Representative: N/A (Public non-listed)

Company Overview

Tyro Payments Ltd (Ticker TYR.ASX) is the 5th largest merchant acquirer in the Australian payment sector (behind the 4 banks), positioned as the leading challenger in the terminal "card present" segment, with a proprietary technology stack that supports an end-to-end payment solution. It also has an unrestricted banking licence and is an Australian deposit taking institution (ADI).

Investment Thesis

Tyro is a market leader in the Australian payments sector. Its proprietary technology stack enables them to innovate and capture more of the value chain. The company is benefiting from structural growth drivers in the payment sector, albeit in a sector facing challenges. Tyro is delivering top line growth of +25% and scope to deliver material operating earnings.

Incorrect Performance Disclosure

Ellerston Capital Limited ABN 34 110 397 674 AFSL 283 000, responsible entity of the Ellerston JAADE Australian Private Assets Fund (Retail) ARSN 634 091 875 (Fund) would like to advise of an incorrect net performance return that has been reported to investors from March 2020 up to June 2021.

The 3 month performance return for March 2020 was reported as -4.6%, but should have been reported as -5.0%, this was caused by human error, which resulted in all the retail Fund net performance returns in the monthly newsletters to investors being slightly overstated.

An assessment of the overstated reporting was conducted on the since inception return. In the June 2021 newsletter the Fund annualized return from inception to June 2021 was reported as 29.6% but should have been reported as 29.3%, difference of 0.3%.

Ellerston Capital has implemented a full review of the historical performance figures and found all information to be up to date. The above error has been rectified and new procedures will be implemented to prevent reoccurrence.

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Find out more

Should investors have any questions or queries regarding the Fund, please contact our Investor Relations team on **02 9021 7701** or **info@ellerstoncapital.com** or visit us at **ellerstoncapital.com**

All holding enquiries should be directed to our register, Mainstream Fund Services on **02 8259 8550** or **InvestorServices@MainstreamGroup.com**

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