

Private Opportunities Fund

Fact Sheet

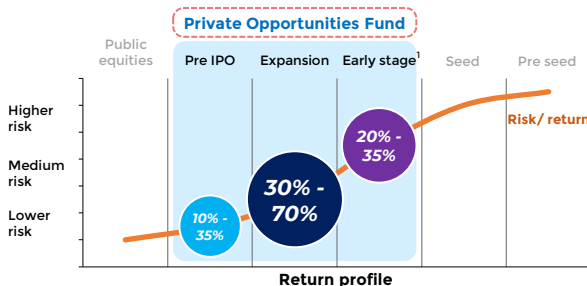
February 2021

Fund Overview

- In May 2020, Ord Minnett established Private Capital (**OMPC**) to cultivate, assess and manage investments in unlisted assets
- OMPC has access to a strong flow of private investment opportunities from an extensive network of advisers and investors
- The Private Opportunities Fund (**POF**) is a multi-asset fund that will invest in Pre IPO, early stage and expansion investments alongside opportunity specific co-investments “Side Cars”
- OMPC investment team brings significant investment expertise and are backed by a high conviction, active approach towards identifying high-quality unlisted companies that demonstrate solid fundamentals

Target Composition

- Focus on growth and expansion companies that offer better risk/ return profiles
- Avoid high risk profile companies such as seed/ start-up/ pre-commercialisation
- Clear pathways to liquidity including IPO and trade sale
- Mix of investment stages to provide a mix of return profiles and duration



Target portfolio construction

Key Investment Features



ACCESS TO PROPRIETARY INVESTMENT OPPORTUNITIES

- Access to Ord Minnett’s extensive networks and investment origination with 100+ opportunities screened since May 2020



ACCESS TO VALUABLE MARKET-DISLOCATED OPPORTUNITIES

- A high conviction, active approach towards identifying unique assets



STRUCTURED INVESTMENT APPROACH

- Adopt traditional private equity practices in a highly structured manner



FLEXIBLE ‘INVESTOR FRIENDLY’ STRUCTURE

- Conditionally approved ESVCPLP status offering tax free returns (capital or income) from eligible investments, as well as the ability to receive a number of tax concessions
- Open-ended structure with annual redemptions and a first right to any “Side Car” co-investment opportunities

Cornerstone Assets

- Ongoing due diligence on a number of investment opportunities
- Two Early Stage investments cornerstone investments secured:

Early Stage

Global Study Partners

\$2.0m

- Student recruitment platform

Early Stage

VendorPanel

\$2.0m

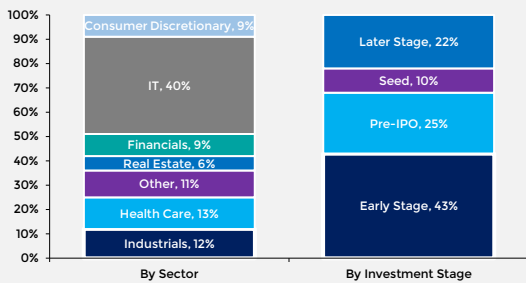
- Procurement software platform

Key Investment Highlights



ACCESS TO PROPRIETARY INVESTMENT OPPORTUNITIES

- Ord Minnett has an extensive network of **twelve offices** across Australia and Asia
- **Approx. 310 Private Wealth Advisers** and an Emerging Companies team of **30 professionals**
- **100+ opportunities** screened since May
- **7 term sheets** have been issued
- **2 secured cornerstone assets**

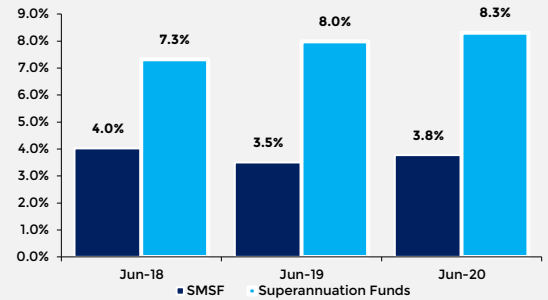


Snapshot of OMPC deal-flow to date



ACCESS TO VALUABLE MARKET-DISLOCATED PRIVATE OPPORTUNITIES

- Unlisted share ownership has been a growing contributor to public sector and industry super funds
- **SMSF private investors generally lack access**, and therefore exposure, to this asset class
- **Significant opportunities** exist in the mid market private sector where companies **trade at significant discounts** to their listed peers due to lack of liquidity

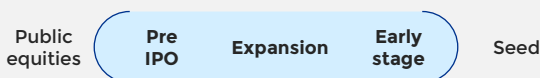


Portfolio allocation to unlisted equities (%)



STRUCTURED INVESTMENT APPROACH

- The Fund is focused on sourcing unique investment opportunities across **innovative and market leading** Australian private companies
- Fundamental bottom up research, screening, diligence and structuring to provide investors with actively managed exposure to **Pre IPO, expansion and early stage opportunities**
- Investment team brings **significant investment expertise** and are backed by a **high conviction, active approach** towards identifying unique assets



What we like

- Businesses with established commercial need evidenced by quality revenues
- Abilities to grow with scale
- Clear pathways to liquidity

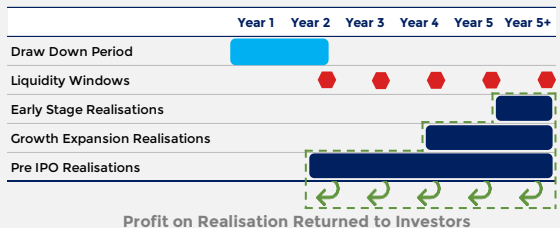
What we dislike

- Seed/ start-up/ pre-commercialisation
- Hyper-niches



FLEXIBLE 'INVESTOR FRIENDLY' STRUCTURE

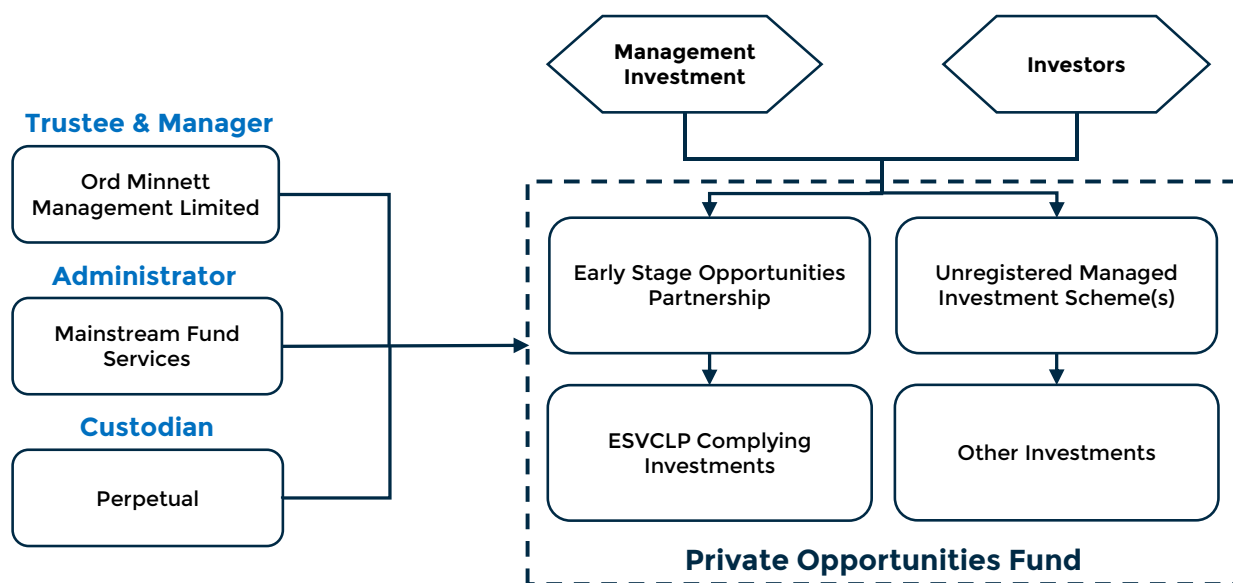
- **Open-ended with annual redemptions** (at the Managers discretion)
- **Active recycling of profits from realisations or capital management** will return profits to investors once realised
- Investors in the Fund will receive a **first right to co-invest** in any Side Car investments that cannot be fully undertaken by the Fund
- **Foundation investors** will be provided with **favourable terms on fees**
- **ESVCLP status** provides **tax free status and tax concessions** from qualifying investments¹



Profit on Realisation Returned to Investors

Fund Structure

- The Fund will be a combination of an Early Stage Venture Capital Limited Partnership (ESVCLP) and an Unregistered Managed Investment Scheme (MIS)
- **Qualifying investments will be made through the ESVCLP, gains on these investments are tax free and capital drawn through the ESVCLP will be entitled to a 10% non-refundable carry forward tax offset on invested capital**
- **The POF has been granted provisional registration as an ESVCLP, this registration needs to be converted to an unconditional registration to obtain tax free status**
- All other investments will be made via the MIS with any franking credits passed through to investors



Investment Committee



Karl Morris
CEO & Managing Director
Internal Member



Andrew Best
External Member

- 30+ years investment banking experience
- Previously Head of Investment Banking in Australia for JP Morgan
- Most recently Panel Member of Adara Partners



Trent Donnelly
Director, Private Capital
Internal Member

- 20+ years financial services experience across investment banking and asset management
- Previously Head of Corporate Finance for Ord Minnett and most recently, Managing Director of Aura Capital part of Aura Group, a boutique Australasian alternative asset manager



Melissa Babbage
External Member

- 20+ years investment banking experience, including Managing Director, Deutsche Bank
- Significant NED, investment, risk and investment committee experience with organisations such as
 - Swiss Re
 - Q Super
 - Mercer

Key Fund Terms

Investment Structure	Master Managed Investment Scheme (Contractual Only) based on Master Constitution agreement binding together underlying Early Stage Venture Capital Limited Partnership (ESVCLP) and an Unregistered Managed Investment Scheme (MIS) as appropriate
Investment Manager	Ord Minnett Management Ltd
Fund Term	Open-ended investors should consider an investment horizon of 5-7 years
Target Fund Size	Approximately AU\$50 million
Fund Objective	The Fund aims to provide investors positive returns above the Hurdle by investing in a diversified portfolio of unlisted expansion and growth stage companies
Target Portfolio Construction	20-35% Unlisted early stage capital (ESVCLP compliant where applicable) 30-70% Unlisted expansion capital 10-35% Pre-IPO investments
Capital Call	The Investment Manager intends to draw down at first close: <ul style="list-style-type: none"> • 100% of commitments that are less than \$100,000; or • 15% - 25% of commitments that are in equal to or greater than \$100,000 Remainder is progressive, at the discretion of the Investment Manager over a period of up to two years Please note that all commitments should reflect and will be assumed as the full face value being made to the POF
Management Fee	1.5% plus GST per annum
Performance Fee	15.0% plus GST above the performance hurdle
Hurdle	7.0% p.a. compounding on invested capital
Foundation Discount	Foundation Investors (commitment to the first close of \$250,000 or greater) are entitled to a discount of 0.25% and 2.5% on Management Fees and Performance Fees. This discount applies to the POF and any Co-Investments
Minimum Commitment	\$50,000
First Right to Co-Investment Opportunities	Investors in the Fund will receive a first right to participate in opportunities that can not be fully undertaken by the Fund. This will be through special purpose vehicles established on similar terms to the POF
Late Capital Interest Amount	In the event that there is more than one closing on commitments for the Fund before the final closing date then, at the Investment Manager's discretion, Investors committing to subsequent closings may be liable to pay late capital interest of 12% in addition to their commitment. This charge will be an asset to the Fund and will be paid to First Close investors
Investor Reporting	Quarterly reporting with annual audits
Distributions	Profits from any realisations or capital management will be distributed in the quarter in which they are received
Redemptions	After the draw down period, the Investment Manager intends to make available a redemption and application window following the completion of the annual audit Redemptions will be subject to their being sufficient applications or liquidity available to fund them There is no guarantee that redemptions will be available
Investor Eligibility	Wholesale Investors only

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DISCLAIMER:

This document is dated February 2021 has been prepared and issued by Ord Minnett Management Limited (ACN 002 262 420) (AFSL# 237123) (the Manager) to provide background information for persons considering applying for interests in the "Ord Minnett Private Opportunities Fund" (the Fund, POF), consisting out of an Australian incorporated limited partnership Ord Minnett Private Early Stage Opportunities Fund, LP (Partnership) and a stapled MIT Ord Minnett Private Opportunities Trust (Trust) (more identical stapled MITs could be added to the structure as required). Ord Minnett Private Early Stage Opportunities Management, LP (General Partner) is the general partner of the Partnership and Ord Minnett Management Limited (Trustee) is the trustee of the Trust. The Partnership is conditionally registered as an early stage venture capital limited partnership and further conditions will need to be met prior to being registered as an ESVCLP. The Manager is an Australian financial services licensee with AFSL# 237123 and an authorised representative under Section 916A of the Corporations Act of Ord Minnett Limited AFSL# 237121. Through this arrangement, the offers of interests in the Fund are made by the Manager on behalf of the Partnership under an intermediary authorisation in accordance with Section 911A(2)(b) of the Corporations Act

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