

# Bombora Investment Management



Quarterly report • September 2024

The Bombora Special Investments Growth Fund (“Fund”) provides investors with an actively managed portfolio of high growth Pre-IPO companies and Listed equities. The Fund returned +1.1% for the month ending 31 August 2024 and (0.2%) for the month ending 30 September 2024. The Unit price closed at \$1.58 ending 30 Sept 24 (from \$1.56 as of 31 July 2024).

The Bombora Team will be conducting an investor presentation via video conference at 10:00am on Friday, 8 November 2024, where the Manager will be providing an update on the Fund.

Please use the following link to register for the webinar: [HERE](#)

## FUND PERFORMANCE (NET OF FEES)

INCEPTION UNIT PRICE: \$1.00 (1 JUNE 2018)

OPENING UNIT PRICE: \$1.58 (31 August 2024)

CLOSING UNIT PRICE: \$1.58 (30 September 2024)

	1 Month	3 Months	12 Months	3 years Compound Annual Return	Since Inception Compound Annual Return <sup>1</sup>	Since Inception Total Return <sup>1</sup>
Bombora Special Investments Growth Fund	(0.2%)	(0.3%)	(7.6%)	(11.9%)	7.4%	57.6%
Small Industrials Index <sup>2</sup>	3.6%	6.4%	19.6%	(4.1%)	1.6%	10.7%
ASX All Tech Index <sup>3</sup>	5.7%	7.0%	36.1%	2.8%	10.3%	85.8%

1. Inception Date is 1 June 2018

2. References to the small industrials index are for illustrative purposes only

3. ASX All Tech Index launched in February 2020

## 30 September 2024 QUARTERLY UPDATE



Welcome to Bombora Investment Management September 2024 quarterly update.

Whilst on the surface of the Unit price performance for the quarter was flat for the period this is more a reflection of the 4 listed trading holdings with some up and some down. BMT was the shining light in the quarter offset by GTI (raised A\$9M for an acquisition taking pro forma revenue to more than A\$85M) and JAN (market waiting on the strategy presentation ahead of the AGM).

Whereas in the private portfolio, which represents circa 80% of the Fund Portfolio and does not have monthly share price mark to market, had a lot of positive activity and which we expect to be marked positively once certain corporate actions are completed in the coming months. These are discussed further in the portfolio commentary.

Overall, the comment on the market remains similar to what we have seen over the past 24 months, this is that listed companies with less than A\$150M market capitalisation continue to suffer the simple demand/supply equation with the majority of investors still choosing to apply funds towards larger listed companies and or fixed income. We continue to hold the view that as interest rates ease, we will see more money flows move towards the smaller growth technology growth companies which dominate the Fund portfolio.

As at 30 September 2024, the Fund held 19 unlisted and 4 listed positions in the portfolio.

	Directors	Comments
 <b>Seconds</b>	Mike Hill & Bryan Zekulich	<ul style="list-style-type: none"> <li>International Video creation platform with in-build services workflow now USD\$10M Rev. A recent change in the executive team and a spin off of a new tech product will be positive for the next 12 months.</li> <li>Dialogue with a number of potential acquirers continues with expectations this should finalise in Q1 CY2025</li> </ul>
 <b>Autism360</b>	David Willington	<ul style="list-style-type: none"> <li>New consumer based global app has more than 1000 paying subscribers</li> <li>Revenue continues to grow to plan</li> </ul>
 <b>THE AUSSIE PLANT BASED CO.</b>	Bryan Zekulich	<ul style="list-style-type: none"> <li>Merged successfully with ALL G Foods business to double size of business</li> <li>Production from All G moved to Fenn Foods production facilities was completed however with slim margins into core grocery channel, this remains uneconomic.</li> <li>Urgent fund raising process failed to raise sufficient capital. Liquidation of assets commenced Oct 24.</li> </ul>
 <b>Beamtree</b>	Mike Hill	<ul style="list-style-type: none"> <li>Recently reported a number of successful material contract wins</li> <li>Board and management re-confirmed guidance of target \$60m ARR by 2026</li> <li>Listed on the ASX as BMT. Strong momentum in share price in quarter ending Sept 24 of +30%</li> </ul>
 <b>design\milk</b>	Mike Hill	<ul style="list-style-type: none"> <li>Has achieved +90% acceptance takeover threshold to acquire Orbx and list towards end of CY24 or early CY25</li> <li>DMC register supportive of acquisition and relisting as gaming company. Name to change to Orbx.</li> </ul>
 <b>ezyCollect</b>	David Willington	<ul style="list-style-type: none"> <li>Approaching \$12M Revenue having recently passed \$10m in ARR and break-even</li> <li>Focussed on US expansion – seeking 30%+ growth in FY25 and maintain break-even</li> <li>Capital raising process has been launched with good interest</li> </ul>
 <b>gratifii</b>	Bryan Zekulich  & Mike Hill	<ul style="list-style-type: none"> <li>Successfully raise \$9M in September to complete 2 acquisitions (completion Oct 24)</li> <li>Acquisition of Club Connect (adds RACQ and NRMA) with \$60M historic revenue</li> <li>Acquisition of Rapport NZ which provides marketing services for loyalty schemes</li> <li>Pro Forma Revenue following M&amp;A is now \$85M and \$3M underlying EBITDA with 23M Users.</li> </ul>
 <b>Janison.</b>	Mike Hill	<ul style="list-style-type: none"> <li>Sujata Stead new CEO (ex Cambridge/Box Hill OET Education Test) now well and truly driving strategic direction. Strategy Update presented to ASX in September to double down core strengths K12 assessment content</li> <li>Build on Core to FY27, expand horizon FY28+ \$10m cash on hand at 30 June 24.</li> <li>FY24 Revenue \$43.1M and EBITDA \$3.1m reported</li> </ul>
 <b>LVX</b>	Mike Hill and Dave Willington	<ul style="list-style-type: none"> <li>Business trading very well post restructure under guidance of CEO Dean Jones.</li> <li>Two new board members added to provide deep industry and financial experience</li> <li>Business profitable and expected to exceed full year budget in first 6 months operations</li> </ul>

	Mike Hill	<ul style="list-style-type: none"> <li>• 2H marketing campaign launched which is showing positive early signs of accelerating growth in top line in both e-Commerce and Marketplace.</li> <li>• Revenue from the group operations reported at \$28M with group operating margins up +14%</li> <li>• Marketplace revenue \$8M and \$2.6M Operating EBITDA. Cash on hand pro forma at 30 June was \$4M.</li> </ul>
	David Willington	<ul style="list-style-type: none"> <li>• Sold over 2000 Marvel Move pre-sale subscriptions before launch at \$79 per subscription are seeing 20% month to month growth in our paying subscribers</li> <li>• Has now achieved 3 months of consecutive daily active user growth for Dustland Runner</li> </ul>
	Mike Hill	<ul style="list-style-type: none"> <li>• Acceptance now over 90% for re-listing pathway. On track with brokers for listing late CY24/early CY25</li> <li>• Significant revenue generated from recent launch of the Digital Combat Simulations "Kola map" and more recently signing confidential Hollywood studio content deal to go into Microsoft Flight Simulator</li> <li>• Game development and Digital Twin growth opportunities significant post listing and capital raise</li> <li>• Considering new experienced board members for ASX listing</li> </ul>
	Mike Hill	<ul style="list-style-type: none"> <li>• Significant growth still being achieved with ARR representing a +50% increase over the pcp. Over 160 higher education customers in US and confident of achieving over US\$10m in ARR by 31 Dec 2024</li> <li>• More than 10 Term Sheets received with value averaging USD\$100M following launch of a primary USD\$5m plus secondary USD\$15m raise.</li> </ul>
	Bryan Zekulich	<ul style="list-style-type: none"> <li>• Fast growing e-commerce rural workwear business now in excess of \$40M revenue</li> <li>• Challenging shareholder family group. M&amp;A conditional offer received and negotiation possible sale. Recent Takeovers panel win.</li> </ul>

## FUND APPLICATIONS

We thank all our investors for their valued support and will provide our next update as of 31 October 2024.

Applications can be accessed via the following online link [bombora.mainstreamfs.com/apply](https://bombora.mainstreamfs.com/apply). Or by completing the following forms:

- [Application Form](#)
- [Additional Investment Application Form](#)

Access is also available via the following Investment Platforms:

- Macquarie Wrap IDPS Menu and Macquarie Wrap Super Menu when held via a separately managed account
- HUB24 IDPS Investment Menu
- Netwealth Wrap
- Ausmaq
- BT Panorama IDPS
- Mason Stevens

Please consult your Investment Adviser and Investors should consider the Information Memorandum and any other material published by Bombora or Evolution in deciding whether to acquire units in the Fund. This information is available at [www.bomboragroup.com.au](http://www.bomboragroup.com.au).

We look forward to welcoming additional investor partners. Further information can be found at [www.bomboragroup.com.au](http://www.bomboragroup.com.au). Should you have any questions in relation to the above please do not hesitate to contact a member of the Bombora Investment team.

Best regards,

## The Team at Bombora Investment Management

**FUND OVERVIEW**

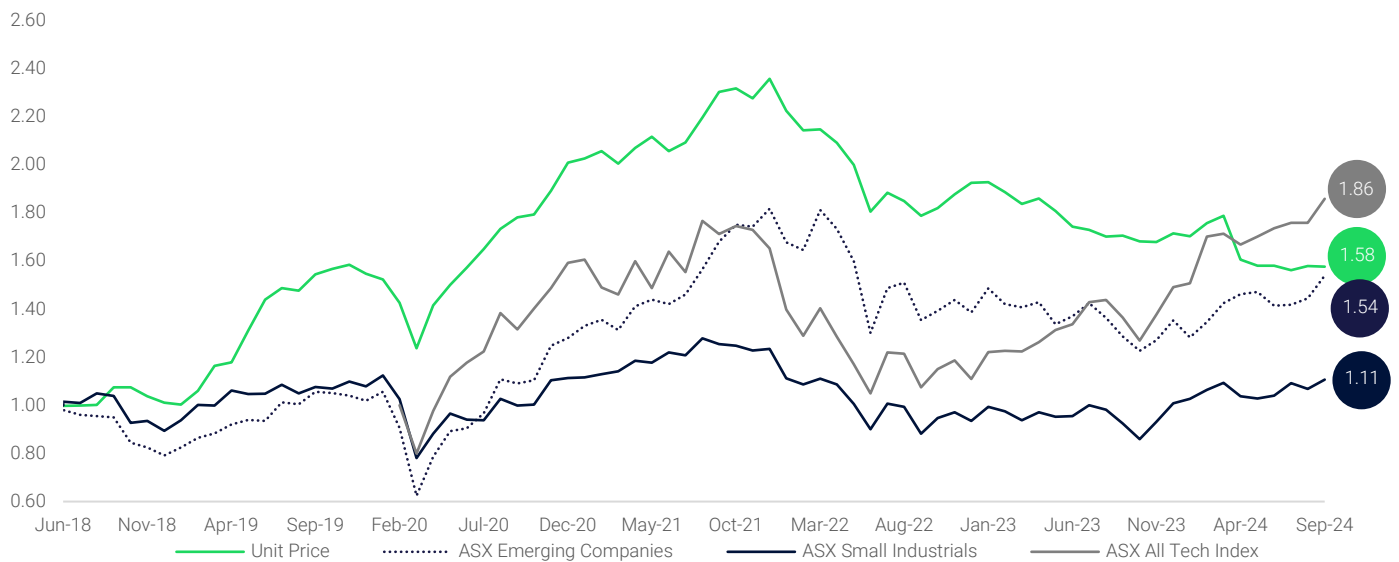
The Fund identifies opportunities where it sees significant value can be achieved in a medium-term horizon. Opportunities are sourced from the Investment Team’s relationships and knowledge of the investment markets.

The Fund’s key focus is to source, investigate, value, structure and execute high growth business opportunities in targeted industries to provide investors with actively managed exposure to:

- Pre IPO Investments
- Listed Equity Investments

The objective of the Fund is to deliver strong positive risk adjusted returns for investors over the medium to long term. The Fund’s unique Special Investments capability enables the Manager to identify proprietary opportunities, establish acquisition vehicles with an attractive capital structure including options and performance rights, and take board positions to monitor performances, understand issues and add value to investee companies.

The Fund will invest in Pre-IPO Securities and predominantly Australian / New Zealand Listed Securities in the following industry sectors: technology, telecommunications, media, infrastructure, healthcare, and financial services.

**FUND PERFORMANCE (CHART)**

**PERFORMANCE UPDATE**

- The Fund returned (o.2%) (net of fees) in the month to 30 September 2024
- The Fund has returned 57.6% in the period since inception, net of fees (following the fund launch on 1 June 2018)
- The Fund continues to seek high quality investment opportunities in line with the Fund’s growth mandate to provide strong positive risk adjusted returns
- \$100,000 invested with the Fund at inception would have grown to \$157,550 as of 30 September 2024 net of fees

## KEY FUND FEATURES

**Manager** Bombora Investment Management

**Fund Structure** Registered Managed Investment Scheme structured as an Australian Unit Trust

**Investor Eligibility** Wholesale clients as defined in the Corporations Act 2001

**Minimum Initial Investment** A\$10,000

**Fees** 1.5% management fee + 20% performance fee (above 7% hurdle rate and high-water mark condition)

**Valuations** Unit price calculated monthly

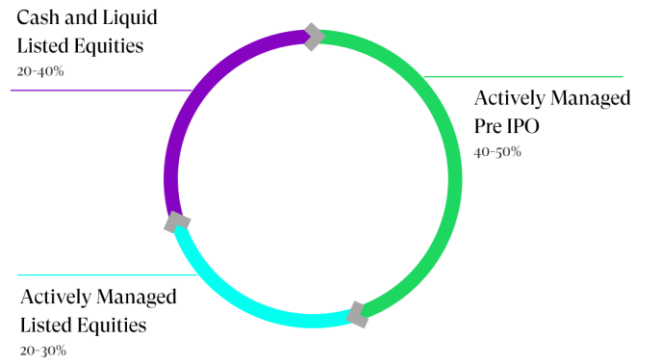
**Current High Water Mark** \$2.36

**Application Frequency** Monthly

**Distributions** Annually

**Redemptions** Suspended for 12 months to 30 June 2025

## TARGET ASSET ALLOCATION



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The Bombora Special Investments Growth Fund Information Memorandum (IM) and other materials published by Bombora or Quay is available at [www.bomboragroup.com.au](http://www.bomboragroup.com.au). The material contained within this document about the Bombora Special Investments Growth Fund ("Fund") has been prepared by Bombora Investment Management Pty Ltd ACN 625 413 390 ("Bombora"), which is a corporate authorised representative of Ironbridge Capital Management Pty Limited ACN 105 880 108, AFSL No. 237556. This document is issued by Responsible Entity of the Fund, Quay Fund Services Limited ACN 616 465 671 ("Quay"). Figures referred to in the document are unaudited. The NAV unit price has been used for performance reporting, however, if an investor is to come out of the Fund, that would be done at the exit price. The document is not intended to provide advice to investors or take into account an individual's financial circumstances or investment objectives. This is general investment advice only and does not constitute advice to any person. Neither Bombora nor Quay guarantee repayment of capital or any rate of return on the investment and does not give any representation or warranty as to the reliability, completeness or accuracy of the information contained in this document. Investors should consult their financial adviser in relation to any material within this document. Past performance is not a reliable indicator of future performance. Investors should consider and the Information Memorandum (IM) or any other material published by Bombora Investment Management or Quay in deciding whether to acquire units in the Fund. This information is available at [www.bomboragroup.com.au](http://www.bomboragroup.com.au).