

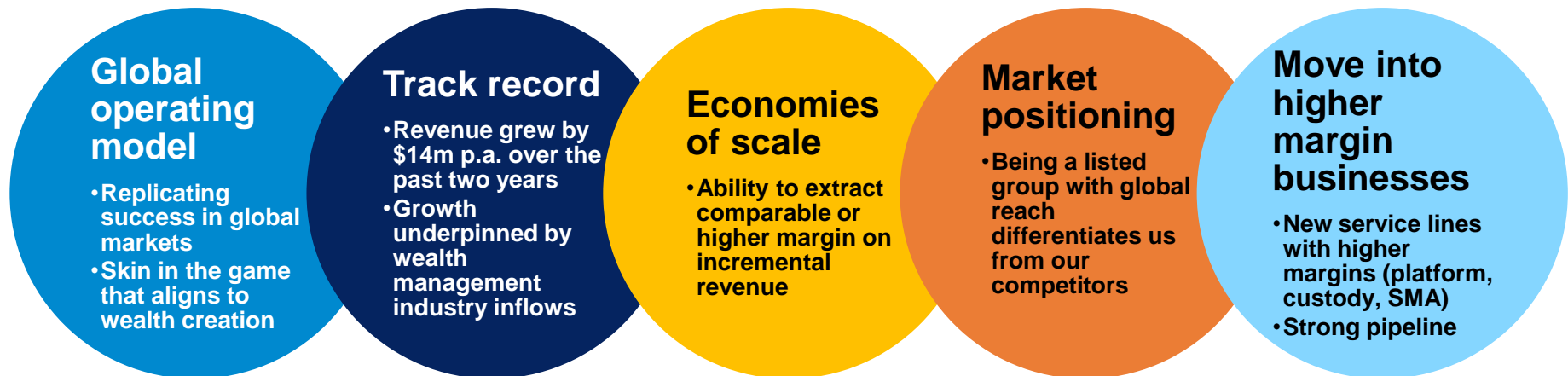
**Presentation to
Macquarie
Emerging Leaders
Forum**

MARTIN SMITH, CEO
MAINSTREAM GROUP HOLDINGS LIMITED

26 November 2018



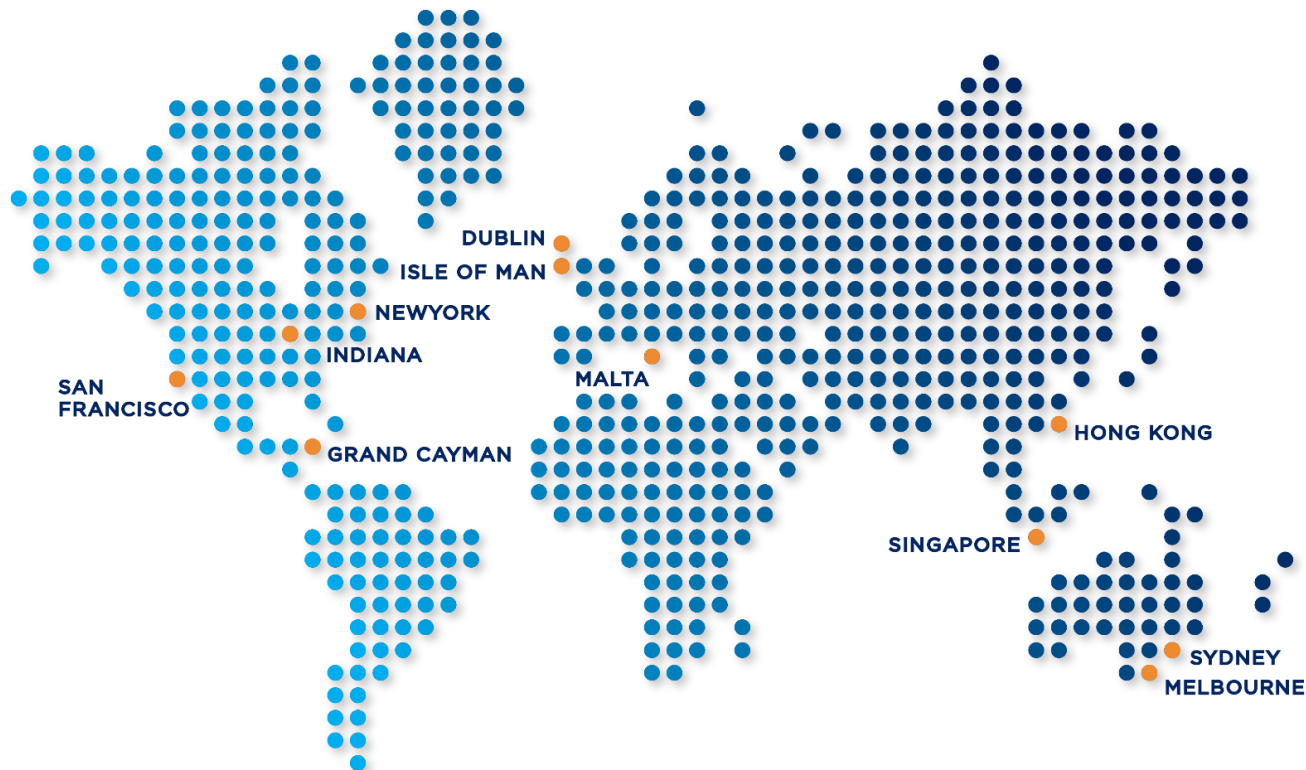
Reasons to invest in Mainstream



Markets we operate in represent \$31t AUM

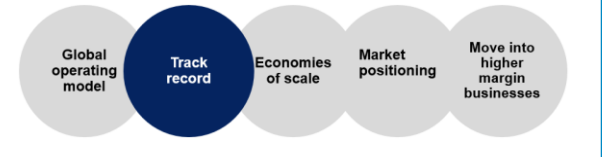


- › Now in 8 countries with common established platform and solid global executive committee
- › Replicating Australian business growth in international financial centres
- › Founders/executives aligned to wealth creation via significant shareholding



Mainstream Group Holdings Limited (ASX: MAI)

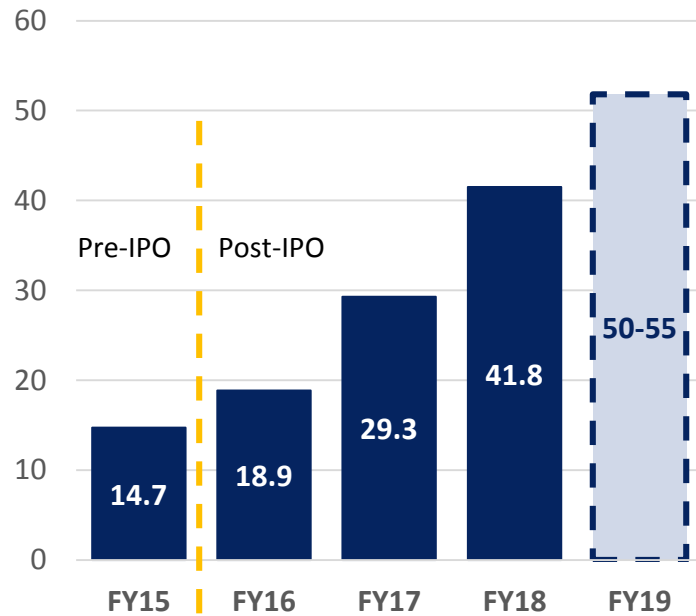
Growth of 300% since IPO



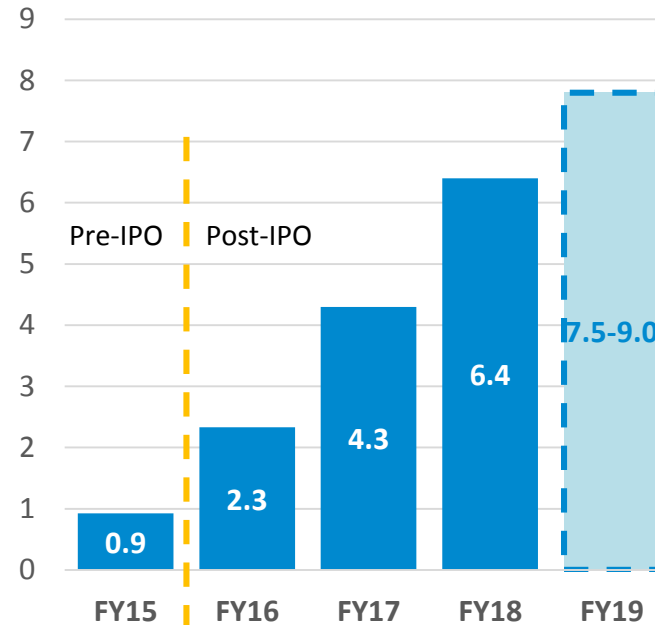
High organic growth underpinned by inflows into wealth management industry



Revenue (\$m)



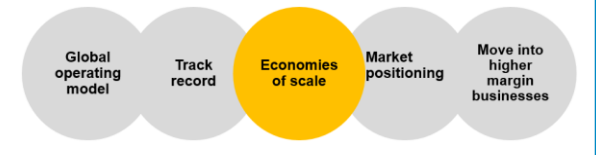
EBITDA (\$m)



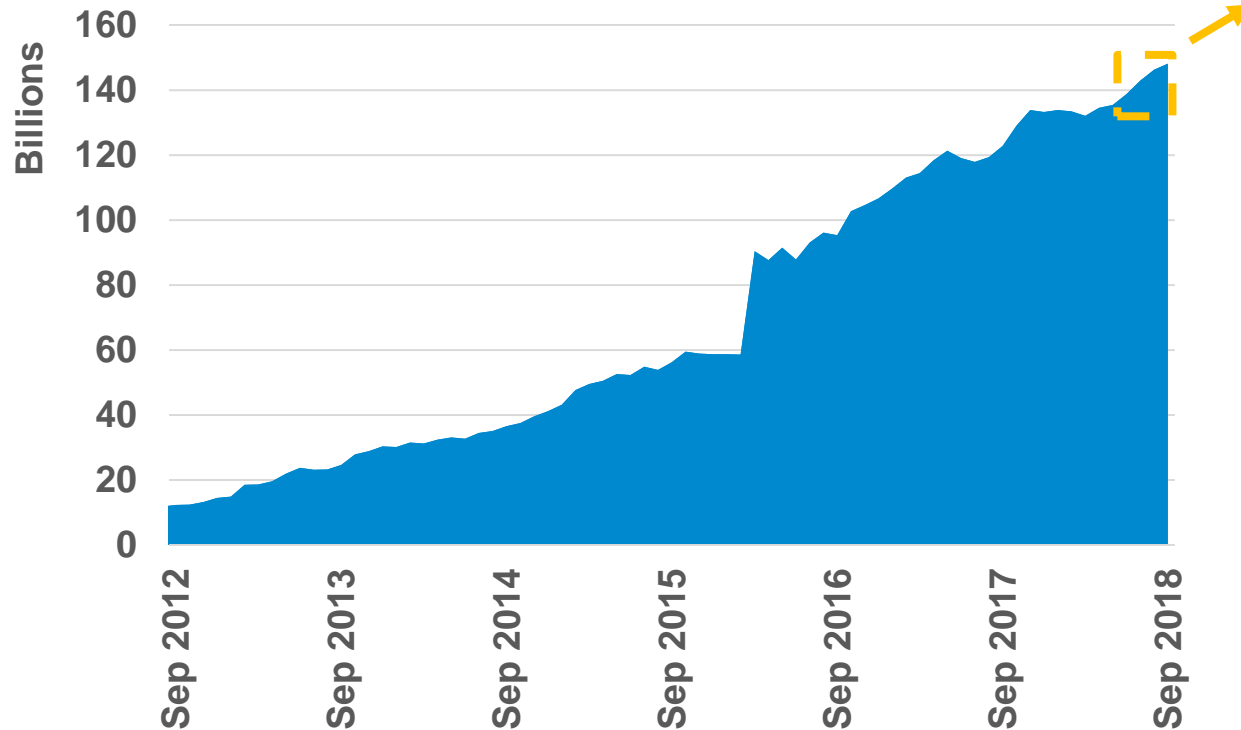
^ Initial Public Offering: 1 October 2015.

* FY19 guidance for the year ended 30 June 2019.

Economies of scale reached

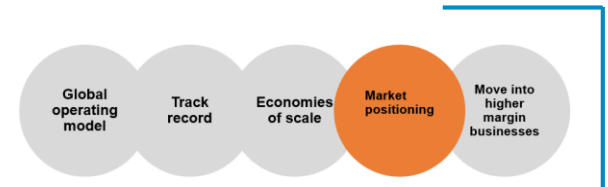


Historical growth in FuA

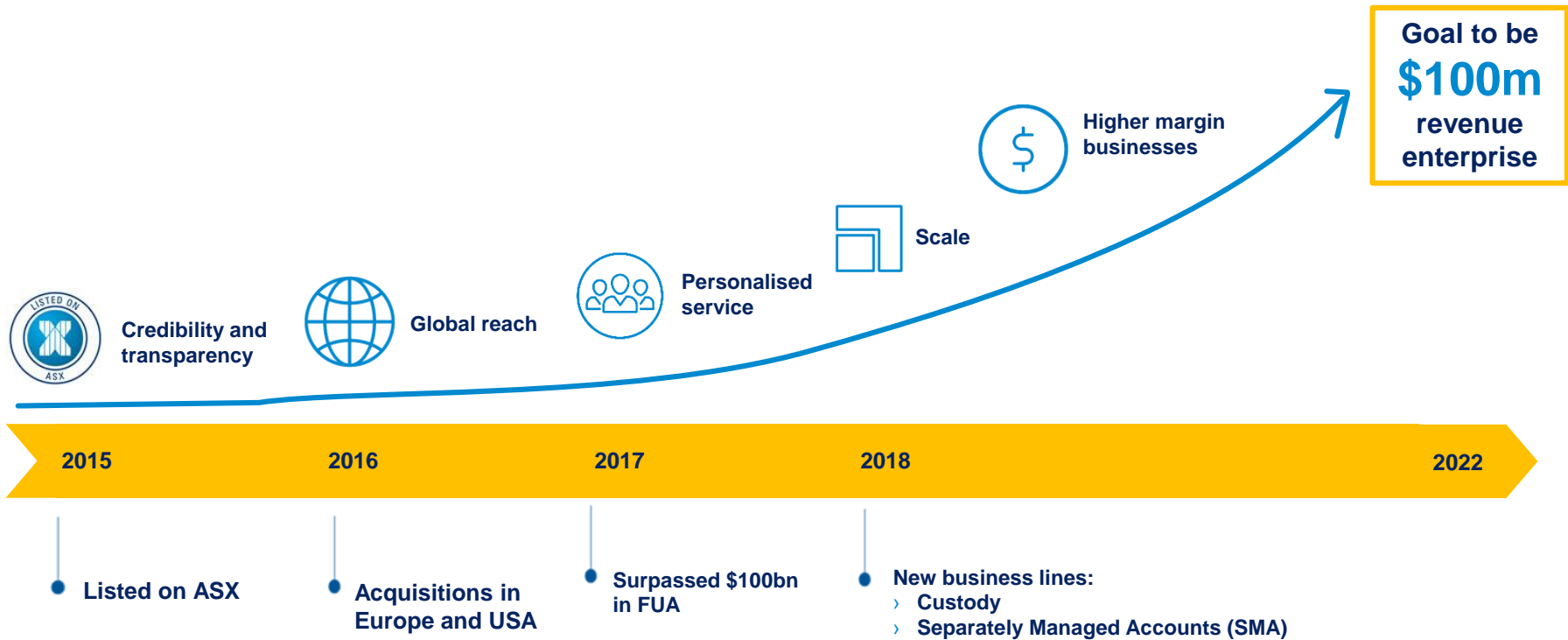


- › Recurring revenue grows in line with underlying assets via long-term service contracts
- › \$146 billion in FuA as at 30 Sept 2018:
 - › Up 6% on prior quarter
 - › \$8 billion inflows
- › Inflow trends:
 - › Existing key clients' investment performance and net inflows
 - › New private equity, venture capital and real estate funds
 - › New custody clients

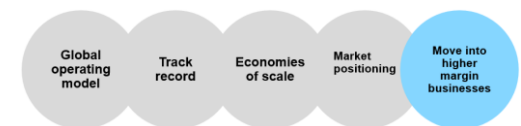
Growth achievements and outlook



- › Differentiated from our peers by personalised service, focused expertise and listed credentials
- › Expect continued growth in revenue and margins as we build scale



Diversifying into higher margin services



Sources and uses of funds

SOURCE	A\$m
Capital raising (Sep 2018)	9.5
Share Purchase Plan (Oct 2018)	0.8
Total capital raised	10.3

USE	A\$m
Custody regulatory capital	4.0
Mainstream Digital	2.0
US expansion	2.0
Working capital	1.8
Transaction costs	0.5
Total uses	10.3

Deployment of funds raised

Custody



- › Now meet regulatory capital requirement for standalone service
- › \$4m assets under custody for 54 clients across 109 portfolios
- › Strong pipeline of existing clients/prospects in high margin business

Mainstream Digital



- › Foundation client to seed Separately Managed Account
- › In-house development for online transacting in progress

US expansion



- › Recruited experienced management team with combined experience of 80+ years in PE fund operations
- › Opened offices in NYC and Indiana; resources in California and Texas
- › Signed 19 new clients and A\$3.7bn FUA in 9 months

Working capital

- › Strengthened balance sheet
- › Debt repayment schedule

Key themes for today



Recurring revenue grows in line with underlying assets via long-term service contracts

Economies of scale



Differentiated market positioning

Growth underpinned by global wealth industry (\$31 trillion market size)



Proven track record of growth and margin improvement

Further opportunity for growth through core business and higher margin businesses



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Appendices



MAINSTREAM

Who we are

A\$146 billion



funds under administration (FUA)

895 funds



funds

249

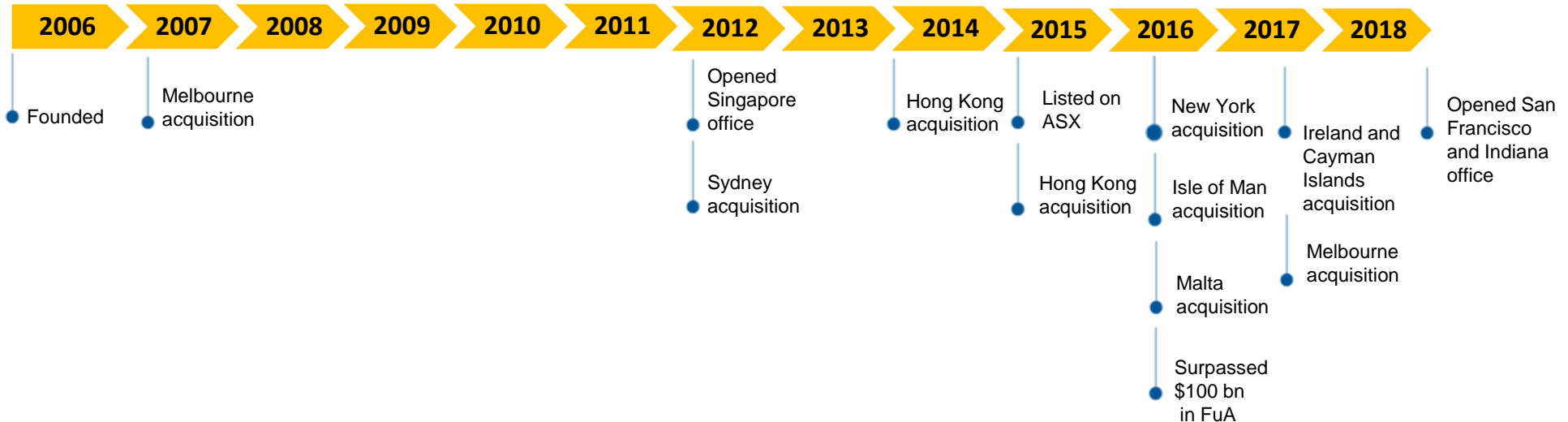


employees






354



clients



Mainstream's services

	Products we service	Services available	
TRADITIONAL 	Managed funds, Superannuation funds	<ul style="list-style-type: none"> › Fund administration › Fund accounting › Unit registry 	<ul style="list-style-type: none"> › Custody › Performance reporting › Trade management › FATCA & CRS
HEDGE 	Hedge funds	<ul style="list-style-type: none"> › Fund administration › Transfer agency › Regulatory reporting › Registered office services 	<ul style="list-style-type: none"> › Company secretarial services › Fund formation › Middle office › FATCS & CRS
PRIVATE EQUITY 	Private equity, Venture capital, Real estate	<ul style="list-style-type: none"> › Fund launch › Portfolio company & real asset services › Investor services › Tax audit & compliance › Manager & investor web portals 	<ul style="list-style-type: none"> › Capital calls › Financial statements › Fee calculations › Waterfall modelling › Distributions › Investor reporting › Management reporting
LISTED 	ETFs, LITs, LICs mFunds	<ul style="list-style-type: none"> › Investment administration (NAVs & PCFs) › Fund accounting 	<ul style="list-style-type: none"> › Listed registry › Post-trade compliance & trade matching
PLATFORM 	Managed accounts, SMA, Cayman investment fund platform, Super trustee platform	<ul style="list-style-type: none"> › Fund administration & accounting › Investor / member services 	<ul style="list-style-type: none"> › Market data & pricing › Trade matching › Client reporting

Pro-forma balance sheet

Reconciliation of current balance sheet and impact of Sep-Oct 2018 capital raise for illustrative purposes

Estimated impact of capital raise:

	30 June 2018	Placement & Share Purchase Plan	Pro forma
Share capital			
Ordinary shares on issue	113.8m*	14.7m	128.5m
	\$	\$	\$
Current assets	13.0	10.3	23.3
Non-current assets	30.9		30.9
Total assets	43.9	10.3	54.2
Current liabilities	9.4		9.4
Non-current liabilities	9.2		9.2
Total liabilities	18.6		18.6
Net assets	25.3	10.3	35.6
Equity	25.3	10.3	35.6

* Includes issue of:

- 0.5m shares (under the Dividend Reinvestment Plan) on 12 September 2018,
- 3.0m shares (under the Employee Share Plan) on 2 October 2018, and
- 0.9m shares (as deferred consideration for the acquisition of Trinity Fund Administration) on 2 October 2018.

Growth strategy

