



27 October 2015

ASX / Media Release

MainstreamBPO announces FundBPO's purchase of hedge fund administration business from Alter Domus in Hong Kong and Singapore

FundBPO (HK) Ltd, part of the MainstreamBPO Limited group (ASX: MAI), has purchased the Asia-Pacific hedge fund administration business of Alter Domus, a leading fund and corporate services provider dedicated to international private equity & infrastructure houses, real estate firms, multinationals, private clients and private debt managers. The business will be integrated into FundBPO's existing Hong Kong and Singapore operations.

The transaction is consistent with MainstreamBPO's growth strategy aimed at expanding its operational footprint, particularly in Asia-Pacific, and supports the FY2016 forecast stated in the Company's recent initial public offer (IPO) prospectus.

Client contracts have transferred across to FundBPO, encompassing transfer agency, net asset value (NAV) calculations, fund accounting and middle office services for the relevant hedge funds.

The transaction, expected to be finalised by 31 December 2015, is predicted to generate approximately US\$1m of revenue for MainstreamBPO on an annualised basis. The initial purchase price of US\$1m was funded with IPO proceeds, with the final purchase price to be determined based on the total number of acquired clients who remain with FundBPO. All of the revenue acquired in the Alter Domus transaction will be recurring in nature.

Commenting on the deal, FundBPO Chief Executive Officer (CEO) Martin Smith said FundBPO had a track record of successfully integrating complementary businesses into its existing operations in this type of transaction, such as the Perpetual transaction of 2012 and the HFO transaction of 2014.

"Today's announcement signals our establishment of a significant hedge fund administration operation in Asia. It extends our expertise and capability in servicing hedge funds while supporting our strategic objectives in Hong Kong and Singapore." Mr Smith said.

FundBPO CEO Martin Smith continued, "We have conducted our trademark 'lift and shift' of Alter Domus' hedge fund operations, whereby the existing fund administration staff and technology have been redeployed into our business, providing service continuity to clients and their investors."

The sale to FundBPO marks Alter Domus' exit from the hedge fund administration market in Asia to focus on its core business. The two companies have not historically competed but are located in the same Hong Kong office building and use the same technology platform. Alter Domus staff have transferred to FundBPO as part of the transaction, with FundBPO hiring additional staff to support operations.



“For some time Alter Domus searched for a suitable expert hedge fund administrator to take over and rise to the challenge of meeting the current and future needs of our existing hedge fund clients. We are confident that we have succeeded in finding the right candidate in FundBPO. All due diligence was completed with no concerns and the transition of client data and staff to FundBPO has run smoothly.”
said Laurent Vanderweyen, CEO Alter Domus.

For more information

Martin Smith

CEO

FundBPO

msmith@mainstreambpo.com

T + 852 3580 6555 (Hong Kong)

+61 411 882 986 (Australia)

+ 65 9002 6756 (Singapore)

Alicia Gill

Marketing Manager

MainstreamBPO

agill@mainstreambpo.com

T +61 2 8259 8859 (Australia)

About MainstreamBPO

MainstreamBPO is one of the largest independent fund administrators in Australia. The Company provides fund administration, superannuation administration and share registry services for a diversified client base of fund managers and superannuation trustees.

The Company operates three businesses:

- > FundBPO: provides fund administration services for investment managers
- > SuperBPO: provides superannuation administration services for superannuation trustees
- > ShareBPO: provides share registry services for listed companies and exchange-traded funds.

MainstreamBPO has seen exceptional growth since its inception nine years ago and now provides administration services to over 270 funds with assets in excess of \$50 billion, supporting more than 110,000 investors.

The Company's operations generate predictable revenue streams based on ongoing contracts with clients for the supply of administration services. The Company has a strong competitive position and track record of providing outsourcing services.

MainstreamBPO has operations across Asia-Pacific, with offices in Sydney, Melbourne, Singapore and Hong Kong, employing over 100 people.