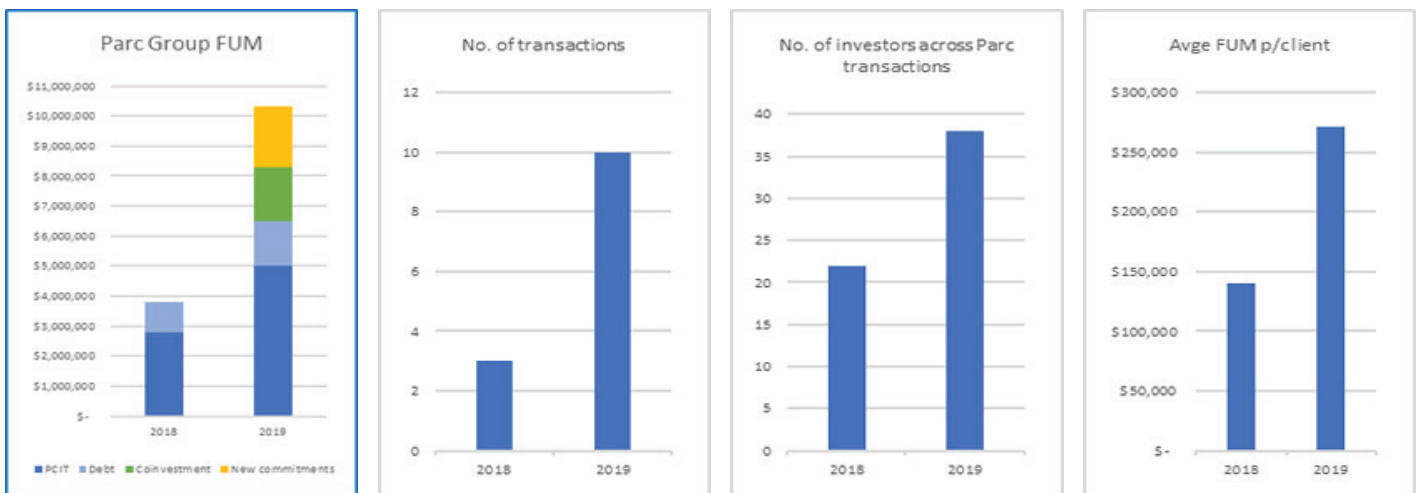




AN UPDATE ON PARC CAPITAL PTY LTD

2019 has commenced strongly across Parc Capital group with high levels of activity in our advisory channel leading to new investment activities and new investors across our business. The positive momentum and progress over these last 12 months are summarised in the following charts:



Growth in group Funds under Management

Our overall FUM has increased to over \$10m including over \$5m in PCIT. We recently opened the Parc Capital Investment Trust "PCIT" for Round 2 as we position to convert advancing investment pipeline.

Positive financial performance across all investee companies

All PCIT investee companies have improved on their revenues and earnings over the last 12 months. Two companies, Merchantwise and CustomTec, have been

recognized with awards in their respective sectors for the quality of their services – see their summary updates for more details.

Increase in investors

We were delighted to welcome 13 new investors into Parc and PCIT. A new investor has recently committed \$2m towards future investment initiatives which we are developing with a specific focus towards identifying opportunities demonstrating technology innovation & transformation strategies. We will share more on this initiative ahead.



The strength of syndication - A strong and common characteristic of most PCIT investors is that of personal success in business and understanding the elements of good investment and so we are leveraging off their business insights and investment experience to improve our own approach to business investment.

We are also implementing the idea of **'Entrepreneurs-in-Residence'**, with a number of current Parc investors now also sharing their time and experience with our investee companies, adding to the influence and stewardship our firm brings to private business. Thanks to all for your advice, feedback, engagement and encouragement.

Co-investment investor model underway

We successfully executed our first co-investment issue this month in which many PCIT investors participated – see introduction to “Halgan” in the “PCIT Investee Company Update” section ahead.

PCIT investors will shortly receive information on our next co-investment issue “CustomTec”. Customtec is already a cornerstone investment for Parc Capital / PCIT with a growing business operating in a growth industry. Parc is poised to advance on its investment together with a new institutional co-investor as the company drives an accelerated acquisition led growth strategy. Further details are provided in the “PCIT Investee Company Update” section ahead.

Completed transaction: Maturity of Staircase 0618A Loan Trust

We completed our first debt security, the Staircase 0618A Trust. This Loan Trust paid 13% pa interest to investors and was fully repaid to investors in March 2019.

Increasing access to quality opportunities

As our reputation in the marketplace emerges, we are experiencing a material increase in prospective advisory and investment opportunities, with business owners actively seeking out Parc’s services. We are getting smarter at focusing on the strongest and prioritising our time towards those leaders and businesses we want to back.

We are presently advancing due diligence on a number of interesting prospective investment transactions that meet our investment criteria and, subject to successful diligence, will look to compete. We will seek to raise the additional funds required through co-investment across our clients..

We look forward to advancing on our current investments and bringing quality opportunities together.



We hope you find our latest Investment Update informative and detailed in the insights to how your capital is being deployed and reassuring to the progress being achieved across the investee companies.

Sincere regards
Grant, Adam and Dov.



Disclaimer

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