

“Hands On” Investing

A hand holding a glowing lightbulb against a sunset background. The hand is positioned in the lower right quadrant, with the lightbulb held between the fingers. The background is a gradient of orange and red, suggesting a sunset or sunrise. The lightbulb is illuminated from within, casting a warm glow.

Dragonfly Fund

WHOLESALE
PRESENTATION
NOVEMBER 2021

Important Disclosures and Disclaimers

This presentation is being circulated on a confidential basis by Equitable Investors Pty Ltd (ACN 120 965 979) ("Trustee") as trustee of the Equitable Investors Dragonfly Fund ("Fund").

Scope of this Presentation

This Presentation has been prepared as at November 2021 to provide recipients with general information about the Fund. It does not contain any invitation to apply for or offer to buy units in the Fund or any offer to issue or sell such units. Instead, this Presentation contains general information about the Fund to assist recipients to assess whether to invest in the Fund. The Trustee may at any time (but is not obliged to) update or amend this Presentation and/or the Information Memorandum, or issue a supplementary or replacement document.

Confidentiality

The recipient acknowledges and agrees that:

- All information contained in this Presentation, or subsequently provided or made available to the recipient, whether orally or in written form, by or on behalf of the Trustee, is confidential information of the Trustee.
- The recipient will keep all information strictly confidential and will not use any information for any purpose except to decide whether to proceed with an investment in the Fund.
- The recipient will not reproduce any information without the prior written consent of the Trustee.
- Upon request the recipient will promptly return all information to the Trustee without retaining any copies.
- Upon request the recipient will enter into a separate confidentiality undertaking substantially on these terms with the Trustee.

Disclaimers

Delivery of this Presentation to a recipient should not be relied on as a representation that:

- there has been no change since the preparation date in the affairs or financial condition of the Fund or the Trustee; or
- the information contained in this Presentation remains accurate or complete at any time after the preparation date.

This Presentation does not purport to contain all the information that the recipient may require to evaluate a possible investment in the Fund. The recipient should conduct their own independent analysis of the Fund. This Presentation should also be read in conjunction with the Fund's Information Memorandum and the Fund's Constitution.

The Trustee does not guarantee or make any representation or warranty as to the accuracy or completeness of the information in this Presentation or the Information Memorandum. To the extent permitted by law, the Trustee disclaims all liability that may otherwise arise due to any information in this Presentation being inaccurate or information being omitted.

An investment in the Fund is subject to investment and other risks including possible delays in repayment and loss of income and capital invested. Recipients should be aware that no established market exists for the trading of units of the Fund. The Trustee does not give any guarantee or assurance as to the performance of the Fund, the repayment of capital or any particular rate of capital or income return.

Recipient to obtain own advice

This Presentation and the Information Memorandum do not take into account the particular investment objectives, financial situation and needs of potential investors and the contents of this Presentation are not to be construed as investment, accounting, financial, legal or tax advice. Before making a decision to invest in the Fund the recipient should obtain professional advice.

Forward looking statements

This Presentation and the Information Memorandum may include certain statements, estimates or projections with respect to the anticipated future performance of the Fund. Those statements, estimates or projections are based on assumptions about future events and management actions that may not necessarily take place and are subject to significant uncertainties, many of which are outside the control of the Trustee. Those assumptions may or may not prove to be correct. No representation is made as to the accuracy of those statements, estimates or projections. The recipient should make its own enquiries and investigations regarding the assumptions, uncertainties and contingencies which may affect the future operations of the Fund and the impact that different future outcomes may have on the Fund and should not rely on those statements, estimates or projections.

Regulatory status of the Fund

Units in the Fund are only available to investors who meet the "wholesale client" eligibility tests under the *Corporations Act 2001*. The Fund is not required to be registered with the Australian Securities & Investments Commission ("ASIC"). This Presentation and the Fund's Information Memorandum are not (and are not required to be) product disclosure statements for the purpose of the *Corporations Act 2001* or required to be lodged with ASIC.

Equitable Investors Dragonfly Fund | Introduction

- Equitable Investors' "flagship" fund
- Wholesale unit trust
- Expenses capped by the manager at 0.5%
- Management fee of 1.5%
- Performance fee 20% above hurdle (5 year bond rate +5%)

Performance to Oct 31, 2021 (after fees)	3 months	Fiscal year to-date	Last 12 months	3 years
Dragonfly Fund	+8.45%	+15.87%	+45.96%	+8.84% pa

Typical no. positions

20 - 40

27 positions as of Oct 31, 2021

Weighting to listed equities

75%

As of Oct 31 2021 - weighted 25%
unlisted; 0.1% cash

% listed <\$100m market cap

65%

As of Oct 31, 2021

Equitable Investors Dragonfly Fund | Our Team



Co-Founder, Director,
Investment Manager

Martin Pretty, CFA

An investment manager at Thorney Investments when Thorney Opportunities (TOP) was the best performed Listed Investment Company on the ASX; experienced listed company director; former sell-side Head of Research



Investment Analyst

Mickey Mordech, CFA

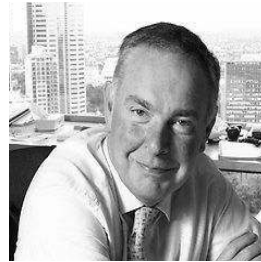
Investment analyst with a publicly demonstrated ability to identify fresh opportunities and previously a contributor to an outperforming growth fund.



Director

Paul Dwyer

Founder and non-executive director of PSC Insurance (ASX: PSI). Mr Dwyer has successfully executed numerous acquisitions and strategic investments at PSC.



Director

Hugh Robertson

One of the most experienced small cap brokers and capital markets advisers in Australia; a key figure in the IPOs of companies including Afterpay and Bellamy's. has been a director of a number of ASX-listed entities.



Co-Founder & Director
Operations & Compliance

Lana Jenkins

Formerly a lawyer with King Wood Mallesons; held a number of ASIC roles across enforcement, strategy and policy, consumer protection and small business compliance and deterrence. Operating management experience in aged care industry.



Operations & Risk Advisor
Responsible Manager

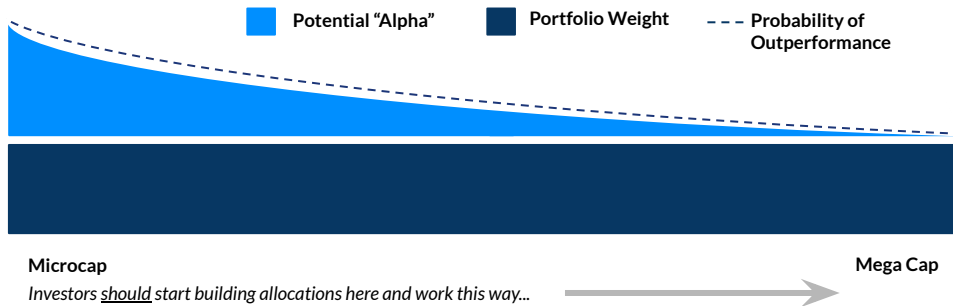
Samuel Richards

Former Chief Operating Officer of Goldman Sachs Asset Management and Goldman Sachs Australia Funds Management; current Managing Director of impact investor Brightlight Group.

Equitable Investors Dragonfly Fund | Investment Strategy

We hunt where excess returns are found

Returns-Based View of Opportunity Set



Source: O'Shaughnessy Asset Management

- The larger the portfolio, the more closely aligned with market cap weights it must be.
- We believe opportunities for better-than-market returns become scarcer as market cap increases.
- Smaller investors can take advantage of their greater capacity to look across the market cap spectrum.

"In building a new portfolio for a new decade, we urge investors to draw on an expanded range of opportunities across public and private assets and new approaches to risk management to address the shortfall in returns across traditional asset classes. After all, lunch is not the only meal of the day."

- JP Morgan Asset Management, Long Term Capital Market Assumptions 2021

Equitable Investors Dragonfly Fund | Our Edge

We are not the only investors preaching the virtues of our in-depth research, deep networks and fundamental analysis.

BUT we are unique in our proven ability to engage constructively with investee companies to maximise shareholder value.

We “roll our sleeves up” and get involved...

- Funding
- Strategy
- Governance
- Investor Relations

We believe it is in shareholders' best interests to actively seek to contribute to value creation and maximisation. We are advocates for our investors and for our investments.



Equitable Investors Dragonfly Fund | Our Evidence

1

Equitable's Martin Pretty joined Thorney Investment Group in 2013 ahead of launch of Thorney Opportunities (TOP)

→ TOP was best performed LIC over ~3 years from launch according to Independent Investment Research, with an 18.2% pa NTA-based return

2

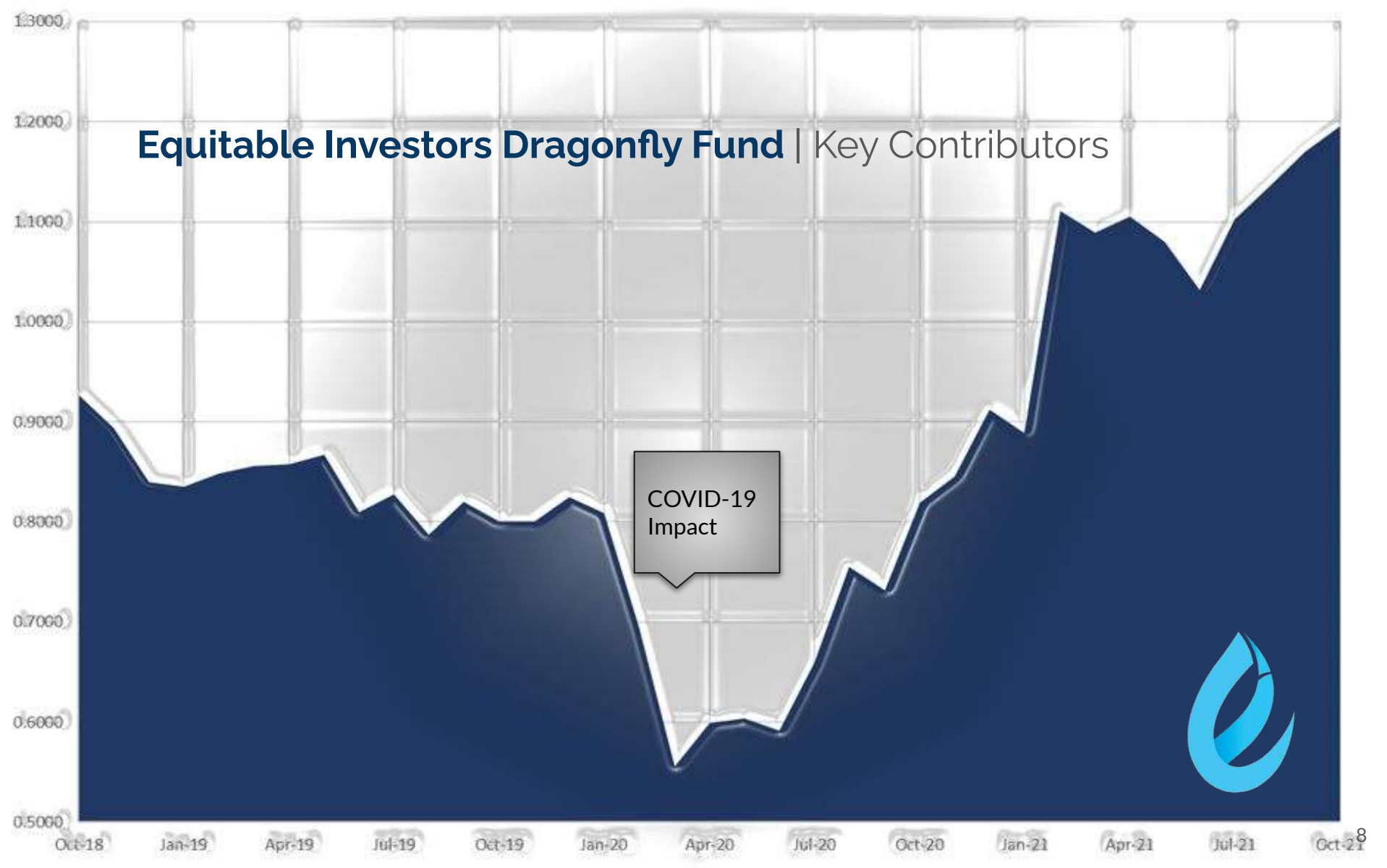
Dragonfly Fund emerged as a **Top 5** domestic equities fund in FY21 with a 74.3% return, based on Morningstar's data

FY22 has started well with a 15.87% gain in the four months to the end of October 2021

Returns for 12m to June 30, 2021 - Morningstar

Name	Date	6 Month	1 Year
Saville Capital Emerging Companies	2021-05-31	8.58	84.62
Spheria Australian Microcap	2021-06-30	18.35	81.16
Regal Australian Small Companies Fund	2021-06-30	23.97	80.80
Firetrail Australian Small Companies A	2021-06-30	21.02	77.80
Equitable Investors Dragonfly	2021-06-30	13.13	74.34

Equitable Investors Dragonfly Fund | Key Contributors



Geo Limited

(GEO: NZ)

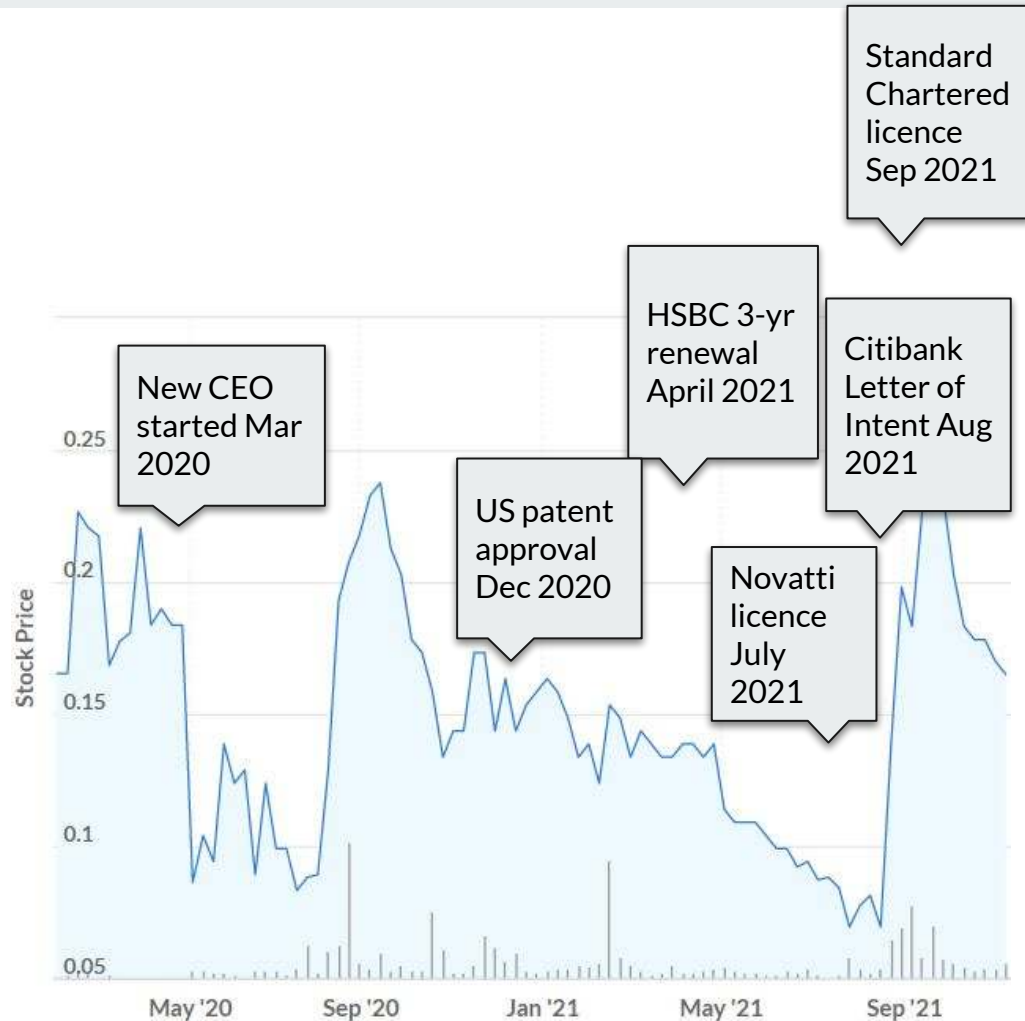
- Software-as-a-Service (SaaS) offering for tradies and field services businesses
- New executive team recruited in CY2020 with backing of highly regarded strategic tech investor Roger Sharp
- Scaling program launched in March 2020 to demonstrate GEO's economics
- Equitable participated in placement in November 2020 at NZD 6.5c a share
- We have topped up again via a currently underway capital raising
- **Return through to mid-Nov 2021 of >140%**



Identitii

(ID8: AU)

- “RegTech” solution for Anti-Money Laundering (AML) and Know Your Transaction (KYT) that provides needed data on transactions
- Spent too much money post-IPO on tech development rather than commercialisation
- Brought in new CEO with commercialisation focus and recapitalised and has since announced agreements with several financial institutions
- Equitable has participated in several capital raisings since July 2020
- **Return through to mid-Nov 2021 of >100%**



Unlisted Investments

- The Fund held ~25% of assets in unlisted investments at the end of October 2021
- The largest unlisted investment is in Brisbane-based digital diagnostics company Ellume, which the Fund entered in 2019
- We held Ellume investment at cost until February 2021 when we were compelled to revalue it given a \$US232m US government contract following FDA authorisation for its DIY digital COVID-19 test
- We recently led an investment round in FinTech company Parpera, facilitating co-investment by our clients
- **Dragonfly's returns to date in FY22 have been achieved with no contribution from its unlisted investments.**



Digital diagnostics company Ellume [was recently declared](#) as the top ranking innovative health company in Australia by AFR Boss.



Parpera [featured in the AFR](#), with the article noting that Afterpay "has been pipped to the post getting a BaaS [Banking as a Service] product into the market by Parpera."



Updater recently completed a Pre-IPO raising and "is working with one of the largest US investment banks and planning for an IPO in 1H 2022".

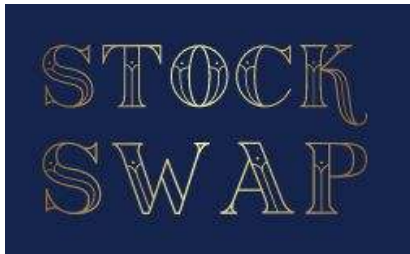


Equitable Investors Dragonfly Fund | Details

Strategy	Long only. Seeking growth or strategic value at an attractive price.
Management fee	1.5% pa
Expenses	Capped at 0.5% pa
Benchmark	5 Year Australian Government Bond Yield + 5% pa
Performance fee	20% (above benchmark)
High watermark	3 year rolling
Minimum initial investment	\$50,000, wholesale only
Investment Manager & Trustee	Equitable Investors Pty Ltd
Custodian	Sandhurst Trustees
Administrator	William Buck Managed Funds Administration (SA) Pty Ltd

Equitable Investors Dragonfly Fund | Key Characteristics

Unique Opportunities	Invests in businesses that often lack widespread investor awareness.
Proprietary Research	Continually updating investment views, meeting companies, researching, evaluating.
Constructive Approach	Open dialogue with companies assists in maximising value.
Expertise	Equitable's directors have over 50 years of experience.
Alignment of Interests	Seeded by the Manager & all our best ideas go into the Fund.



Equitable Investors Dragonfly Fund has the capability to "swap" shares in a company or companies for Dragonfly Fund units where Equitable Investors finds them attractive and suitable investments.

We have, to-date, only completed one such "swap" transaction that met our criteria - we achieved double-digit returns on that investment - but we are always on the lookout for opportunities.

“Imagination will often carry us to worlds that never were. But without it, we go nowhere. Skepticism enables us to distinguish fancy from fact, to test our speculations.” – Carl Sagan, *Cosmos*

Thank you.

Martin Pretty
Director
Equitable Investors Pty Ltd

mpretty@equitableinvestors.com.au

Tel: 03 9028 7104 (w)
Office: Level 39, 55 Collins Street
Melbourne, Victoria, 3000

www.equitableinvestors.com.au

twitter.com/martinpretty

www.livewiremarkets.com/contributors/martin-pretty

