EQUITY RESEARCH

VERITAS SECURITIES LIMITED

Managed Accounts Holdings

MGP.ASX BUY

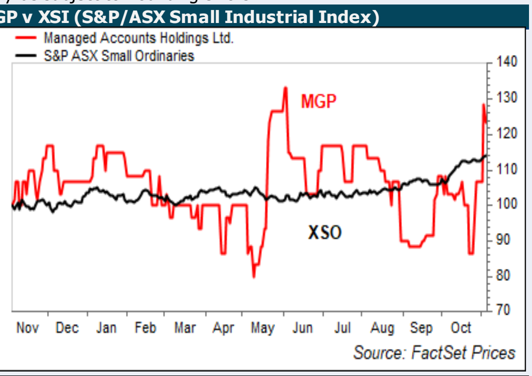
14 November 2017

Price	**$0.31**
Price Target	**$0.45**
Valuation Method	EVR
GICS Sector	Fin Services
12 Mth Price Range	$0.23 - 0.40
Avg Monthly Share Turnover	1.1m
Market Capitalisation (post Issues)	$95m
Issued Capital (post Issues)	305m
Enterprise Value	$88m
Previous Rating	**BUY**

Year Ended June 30		15A	16A	17E	*18E	19E
FUA	**$b**	**1.5**	**1.8**	**2.1**	**11.5**	**12.7**
FUA Growth	*%*	*43.0*	*19.2*	*17.4*	*445.8*	*10.7*
Operating Revenue	**$m**	**4.4**	**5.5**	**6.9**	**19.0**	**23.5**
Revenue growth		*48.4*	*26.3*	*25.4*	*175.2*	*23.8*
Gross Op Profit	**$m**	**3.4**	**4.3**	**5.4**	**14.5**	**18.7**
GOP Growth	%	54.5	26.8	25.6	166.0	29.2
Gross Op Margin	*%*	*78.5*	*78.8*	*78.9*	*76.3*	*79.6*
EBITDA	**$m**	**0.7**	**1.1**	**1.5**	**2.8**	**8.2**
EBITDA Growth	*%*	*67.2*	*46.6*	*40.4*	*83.9*	*195.8*
EBITDA Margin	*%*	*16.7*	*19.4*	*21.8*	*14.5*	*34.7*
NPAT	**$m**	**0.6**	**0.8**	**1.0**	**2.6**	**6.0**
NPAT Growth	*%*	*86.3*	*46.7*	*16.3*	*167.2*	*133.3*
EPS	**¢ps**	**0.4**	**0.6**	**0.7**	**1.2**	**2.0**
EPS growth	*%*	*42.9*	*47.1*	*17.3*	*62.9*	*67.8*
DPS	**¢ps**	**0.8**	**0.8**	**0.8**	**0.0**	**0.9**
Franking	%	0.0	0.0	100.0	100.0	100.0
Y/E Share Price	**¢ps**	**19.0**	**45.0**	**35.0**	**31.0**	**31.0**
PER	**x**	**45.9**	**73.9**	**49.0**	**26.6**	**15.9**
EV/Revenue	x	**4.5**	**10.1**	**6.4**	**10.2**	**7.3**
EV/EBITDA	**x**	**27.2**	**52.0**	**29.3**	**31.9**	**10.3**
Dividend Yield	**%**	**4.2**	**1.8**	**2.3**	**0.0**	**2.7**
NTA/share	¢ ps	5.5	4.5	3.0	1.9	4.7
Gearing (D:E)	%	0.0	0.0	0.0	0.0	0.0
P/OCF	x	48.1	48.1	28.8	26.0	11.3
ROA	%	8.2	12.6	18.6	8.6	14.3
ROE	%	7.1	11.0	15.0	10.2	15.8

* FY18 is a Proforma Forecasts, including 12 mths of Linear
May be subject to Rounding errors

MGP v XSI (S&P/ASX Small Industrial Index)



Source: FactSet Prices

Activities

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Acquisition of Linear Financial (Linear)

MGP has merged with Linear, with MGP paying an Enterprise Value of $42.5m, split:

- $14.0m in MGP scrip, comprising 42.4m shares at $0.33 ps, and $8.0m in Cash.
- $20.5m to cover Linear's Third Party Liabilities and Preference Shares.

MGP has undertaken a Placement of $34.0m (121.4m shares at $0.28 ps) to fund the Maximum Cash consideration of $28.5m plus Working Capital and Acquisition Costs of $5.5m. This will be followed by a SPP at $0.28 ps to raise around $2m. These issues are expected to be completed by 23/11/17.

Linear is a leading provider of platform and administration solutions to the financial services industry in Australia, with in excess of $9.5 billion in funds under administration. Key management will be contracted to the merged entity for at least 12 months.

Rationale

- The merger is transformative for Managed Accounts, immediately taking the merged entities' Revenue to over $14.7m and Funds Under Administration (FUA) to over $11.5 billion, which will include managed accounts FUA of over $4b.
- The combined businesses are very compatible with an increased client spread, especially in the area of Stockbroker related advice and Funds Management.
- The combined entity will have enhanced scale, capabilities and expanded products and services, and is expected to realise $3.5m in synergies and further cost savings. There will also be Revenue synergies from MGP's expanded sales presence, as Linear does not presently have a dedicated sales force, and the implementation of complementary services.
- While Linear was loss making in FY17 and is forecasting a modest profit on a standalone basis for FY18, synergies and other benefits could result in an EBITDA contribution in FY19 of around $5.0m, equating to an acquisition multiple of around 8.5x.

  Following the merger, we expect a combined EBITDA of around $8.2m on Revenue of $23.5m, adding around 12% to FY19 EPS.

MGP releases a Positive September Update

The September update provided positive news around:

- An increase in MGP FUA to $2.16b, with a Net Inflow of $39.8m for Q1 FY18.
- The MOU pipeline increased by 40% to over $5.5b, following an expansion of distribution and Relationship resources. In addition, MGP has an MOU with Shaw and Partners to supply managed accounts solutions across its $2.5b of FUA.
- Approval as an ASX participant, enhancing its non-custodial solution and strengthening its range of services to the intermediated and institutional market.

Reasons to Invest

An Attractive Operating Model – With advantages over competing models.

Sector Growth - Further strong growth is expected in its expanded market, with MGP's FUA expected to grow at a faster rate, boosted by Linear.

Company Strength – A debt free Balance Sheet, with expected Cash post-issue of over $5.0m, backed by an experienced and successful Board and Management team.

Valuation – The Valuation is at a substantial discount to our valuation of $0.44 ps and to its peers.

Managed Accounts Holdings (MGP) Current Price: $0.31 ps Target Price $0.45

PROFIT & LOSS Year ended 30-06		2015A	2016A	2017A	*2018E	2019E
Sales Revenue	**$m**	**4.4**	**5.5**	**6.9**	**19.0**	**23.5**
Cost of Goods Sold	$m	-0.9	-1.2	-1.5	-4.5	-4.8
Gross Operating Profit	**$m**	**3.4**	**4.3**	**5.4**	**14.5**	**18.7**
Expenses	$m	-2.7	-3.3	-3.9	-11.7	-10.5
EBITDA	**$m**	**0.7**	**1.1**	**1.5**	**2.8**	**8.2**
Depreciation & Amort	$m	0.0	0.0	0.0	0.0	0.0
Amortisation	$m	0.0	0.0	-0.1	-0.4	-2.5
EBIT	**$m**	**0.7**	**1.0**	**1.4**	**2.4**	**5.7**
Interest (Net)	$m	0.1	0.2	0.1	0.2	0.3
Pre Tax Profit	**$m**	**0.8**	**1.2**	**1.5**	**2.6**	**6.0**
Tax	$m	-0.3	-0.4	-0.5	0.0	0.0
Normalised Profit	**$m**	**0.6**	**0.8**	**1.0**	**2.6**	**6.0**
Significant Items (Net)	$m	0.0	-0.1	-0.3	0.0	0.0
Reported Profit	**$m**	**0.6**	**0.7**	**0.7**	**2.6**	**6.0**

Growth		2015A	2016A	2017A	*2018E	2019E
Revenue	%	48.4	26.3	25.4	175.2	23.8
COGS	%	29.8	24.7	24.5	209.9	6.7
Gross Operating Profit	%	54.5	26.8	25.6	166.0	29.2
Expenses	%	51.3	21.4	20.8	197.2	-10.1
EBITDA	%	67.2	46.6	40.4	83.9	195.8
Normalised Profit	%	86.3	46.7	16.3	167.2	133.3
EPS	%	42.9	47.1	17.3	62.9	67.8

P&L Ratios		2015A	2016A	2017A	*2018E	2019E
Gross Operating Profit / Sales	%	78.5	78.8	78.9	76.3	79.6
EBITDA / Sales	%	16.7	19.4	21.8	14.5	34.7
EBIT / Sales	%	16.4	18.8	20.1	12.4	24.1
Effective Tax Rate	%	0.0	0.0	0.0	0.0	0.0
Interest Cover	x	na	na	na	na	na

FUA		2015A	2016A	2017A	*2018E	2019E
Year End	$b	**1.51**	**1.80**	**2.11**	**12.73**	**14.50**
Growrh	%	43.0	19.2	17.4	504.0	13.9
Revenue to Av FUA	%	0.34	0.33	0.35	0.26	0.17

Per Share		2015A	2016A	2017A	*2018E	2019E
Year End Share Price	**¢ps**	**19.0**	**45.0**	**35.0**	**31.0**	**31.0**
Issued Shares	m	135.2	134.4	133.7	304.9	304.9
Issued Shares (Wt Avg)	m	135.2	134.8	133.7	219.3	304.9
EPS	¢ps	0.4	0.6	0.7	1.2	2.0
Operating Cash Flow ps	¢ps	0.4	0.9	1.2	1.2	2.7
Free Cash Flow	¢ps	0.2	0.3	0.0	0.4	2.2
DPS	¢ps	0.8	0.8	0.8	0.0	0.9
Franking	%	0.0	0.0	100.0	100.0	100.0
Dividend Payout Ratio	%	193.1	131.3	112.0	0.0	43.5

Parameters		2015A	2016A	2017A	*2018E	2019E
PE Ratio	**x**	**45.9**	**73.9**	**49.0**	**26.6**	**15.9**
Enterprise Value / EBITDA	x	27.2	52.0	29.3	31.9	10.3
Enterprise Value / Revenue	x	4.5	10.1	6.4	10.2	7.3
Cash Flow ratio	x	48.1	48.1	28.8	26.0	11.3
Dividend Yield	**%**	**4.2**	**1.8**	**2.3**	**0.0**	**2.7**

VALUATION Valuation Method	$	Premium(+)/Discount(-) to Current price
EVR	0.45	30.9
DCF	0.52	40.7
Current Price	0.31	
Market Capitalisation	$94.5m	Enterprise Value $88.1m

CASH FLOW Year ended 30-06		2015A	2016A	2017A	*2018E	2019E
Operating EBITDA	**$m**	**0.7**	**1.1**	**1.5**	**2.8**	**8.2**
Net Interest Paid	$m	0.2	0.1	0.1	0.2	0.3
Tax Paid	$m	0.0	0.0	0.0	0.0	0.2
Chg WorkCap	$m	-0.4	0.0	0.3	-0.4	-0.3
Other	$m	0.0	0.0	-0.2	0.0	0.0
Operating Cash Flow	**$m**	**0.5**	**1.3**	**1.6**	**2.6**	**8.4**
Capex	$m	0.0	-0.1	-0.1	-0.2	-0.2
Capitalised Development	$m	-0.2	-0.9	-1.6	-1.5	-1.5
Free Cash Flow	**$m**	**0.3**	**0.3**	**-0.1**	**0.9**	**6.7**
Acquisitions/Asset Sales	$m	0.0	0.0	-0.5	-44.5	-1.0
Dividends Paid	$m	-0.8	-1.1	-1.1	-0.3	-1.8
Equity Raised	$m	0.0	-0.2	-0.3	47.5	0.0
Debt (change)	$m	0.0	0.0	-0.2	0.0	0.0
Change in Net Cash	**$m**	**-0.5**	**-0.9**	**-2.2**	**3.7**	**3.8**

BALANCE SHEET at 30/6		2015A	2016A	2017A	*2018E	2019E
Cash	$m	5.9	5.0	2.8	6.4	10.3
Receivables	$m	1.0	1.3	1.0	1.5	2.0
Inventory	$m	0.0	0.0	0.0	0.0	0.0
Other Current Assets	$m	0.0	0.0	0.0	0.0	0.0
Current Assets	**$m**	**6.9**	**6.3**	**3.8**	**7.9**	**12.3**
Investments	$m	0.0	0.0	0.5	0.5	0.7
Property, Plant & Equipmen	$m	0.0	0.0	0.1	0.5	0.7
Intangibles	$m	0.2	1.1	2.6	45.6	41.0
Other NC Assets	$m	1.1	0.7	0.6	2.0	3.0
Non Current Assets	**$m**	**1.3**	**1.9**	**3.8**	**48.6**	**45.4**
Total Assets	**$m**	**8.3**	**8.2**	**7.6**	**56.6**	**57.7**
Payables	$m	0.3	0.6	0.6	0.7	0.9
Current Debt	$m	0.0	0.0	0.0	0.0	0.0
Other Current Liabilities	$m	0.2	0.2	0.2	0.5	0.3
Current Liabilities	**$m**	**0.5**	**0.8**	**0.8**	**1.2**	**1.2**
Non Current Debt	$m	0.0	0.0	0.0	0.0	0.0
Other NC Liabilities	$m	0.1	0.1	0.1	4.1	1.0
Non Current Liabities	**$m**	**0.1**	**0.1**	**0.1**	**4.1**	**1.0**
Total Liabilities	**$m**	**0.6**	**0.9**	**1.0**	**5.3**	**2.3**
Shareholder Funds	**$m**	**7.7**	**7.2**	**6.7**	**51.3**	**55.4**

BALANCE SHEET Ratios		2015A	2016A	2017A	*2018E	2019E
Receivables turn	x	3.5	4.6	5.8	6.8	6.6
Net Debt	$m	0.0	0.0	0.0	0.0	0.0
Current Ratio (CA / CL)	x	13.9	7.6	4.6	6.6	10.0
Net Assets	¢ps	5.7	5.3	5.0	16.8	18.2
Net Tangible Assets	¢ps	5.5	4.5	3.0	1.9	4.7
Cash	¢ps	4.4	3.7	2.1	2.1	3.4
Return On Assets	%	8.2	12.6	18.6	8.6	14.3
Return on Equity	%	7.1	11.0	15.0	10.2	15.8

MAJOR SHAREHOLDERS (based on Pre-Issue Holdings)				
Don Sharp	m	31.7	10%	Exec Ch
Colin Scully	m	31.6	10%	Former Director/founder
PARMMS Enterprises	m	17.8	6%	Former Dir (Paul Collins)
Argo Invest	m	12.5	4%	Listed Equity Fund
Financial Clarity	m	6.7	2%	MDA Operator
Top 20 (16/08/16)	m	112.2	37%	

DIRECTORS		MANAGEMENT	
Don Sharp	Exec Ch	David Heather	CEO
Alexander Hutchison	NE Dir	Neil Pattinson	COO
Peter Brook	NE Dir	Tony Nejasmic	Distrib & Marketing

*FY18 is a Proforma result, including Linear for a full 12 months

May be subject to rounding errors

Source: MGP (Act), Veritas (Est)

Acquisition of Linear Financial Holdings (Linear)

MGP has merged with Linear Financial, with MGP paying an Enterprise Value of up to $42.5m, comprising:

- An acquisition cost of $22.0m, comprising $14.0m in MGP scrip (42.4m shares at $0.33 ps) and $8m in Cash. These shares will mostly be subject to a voluntary escrow until after the FY18 Results release. Linear Shareholders are expected to receive in excess of 60% of the $22m consideration in MGP scrip.
- A $20.5m outlay to cover repayment of Third Party Liabilities and to redeem Preference shares (mostly due to JP Morgan). MGP will be debt free post-merger, with around $5.0m in Net Cash.

The Maximum Cash consideration of $28.5m plus Working Capital and Acquisition Costs of $5.5m will be funded by a $34m Placement of around 121.4m shares at $0.28 ps, completed on 13/11/17. In addition, to fund further customer acquisition and business development opportunities, MGP will also undertake a Share Purchase Plan at $0.28 ps, raising around $2.0m to be completed by 23/11/17.

Linear

Linear was established in 2006 and was majority owned by Executive Directors and private shareholders. Linear is a leading provider of platform and administration solutions to the financial services industry in Australia, with its own proprietary online technology. Its clients collectively represent over $50 billlion in FUA, including retail banks, stock broking firms, financial planning dealer groups and investment managers. MGP expects key management will be contracted to the merged entity for at least 12 months.

Since July 2014, Linear has increased FUA by a CAGR of 34% to over $9.5 billion in Funds under Administration (FUA). Linear's FUA comprises:

- $2 billion of Managed Accounts, across Evans & Partners ($0.7m) and a number of smaller funds, with a minimum investment of $25,000. Linear generates similar Revenue to MGP, with FUA Revenue yield of between 0.30% and 0.33% pa.
- $5.5b in Portfolio Administrative Services (PAS) for Evans & Partners, based on a flat fee structure of $1,000 per client.
- $2.0b for Westpac/BT Financial Group on an Institutional multi-asset and multi-currency management and reporting platform.

Assets covered include ASX Securities, Managed Funds, Cash and Term Deposits, International Equities, Initial Public Offerings, Exchange Traded Funds, Exchange Traded Options and Fixed Interest Securities.

Key clients contractual terms include:

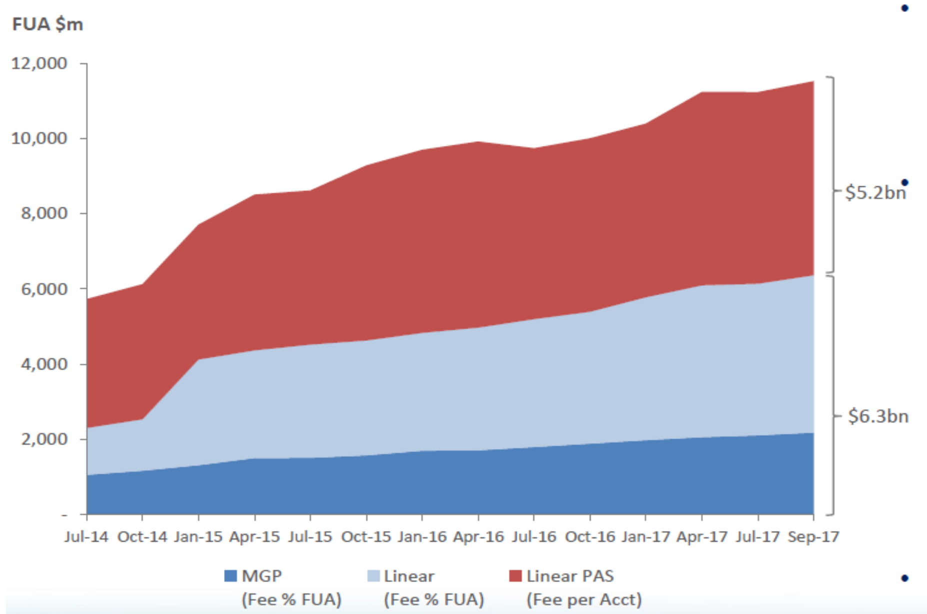
- The key Evans & Partners contractual arrangement runs until October 2018, with an automatic rollover for 12 months. Total FUA with Evans & Partners is around $6.2b.
- The Westpac contract runs until the end of CY2018.

While Linear generated Revenue in FY17 of $7.9m, up from $5.0m in FY15, it was loss making at the EBITDA line. For FY18, Linear is forecasting a modest EBITDA profit on a standalone basis for year ending 30 June 2018, before synergies.

Linear is expected to have Carry Forward Tax Losses of around $10m, which will offset any tax payable for the near future. Also, as a major part of the acquisition price will relate to Customer Relationship and Software, which will be subject to Amortisation Charges, these Tax Losses will be further extended.

Rationale for the Merger

- The merger is transformative for Managed Accounts, immediately taking the merged FY17 Revenue to over $14.7m and the merged entities FUA to $11.5b, which will include combined Managed Accounts FUA of over $4b. Combined FUA has grown strongly from $5.7b in June 2014 to over $11.5b currently, both MGP and Linear growing at a CAGR of 26%. However, excluding PAS, Linear has grown at a CAGR of 40.0%



Source:MGP

- It will increase MGP's participation in the expected strong growth in superannuation inflows, the independent platform segment and increased adoption of managed accounts, including:
  - Growth in Superannuation at a CAGR of 8.5% to an estimated $9.5 trillion by 2035.
  - Net fund flows to non-institutional platforms of 29%, increasing its share above the current 3% of FUA.

- The businesses are very compatible and the merger will increase the spread of the combined business, especially in the area of Stockbroker related advice and funds management. Linear already has a significant business with Evans & Co, Westpac and a number of other key financial groups.

Increased Product Offering

Capability	managedaccounts holdingslimited	LINEAR	Combined Group	Description
Portfolio Administration (PAS)	✗	✓	✓	• Investment and tax reporting service
Super	✓	✓	✓	• Non-unitised superannuation administration
Wrap[1]	✗	✗	✗	• Platforms offering access to approved investment products with reporting
SMA	✓	✓	✓	• Provision of model portfolios where investor owns underlying asset, and reporting
Managed Accounts[2]	✓	✗	✓	• Platform with discretion over investments and trade execution, and reporting
Institutional Solutions	✗	✓	✓	• Sophisticated multi-asset and multi-currency management and reporting solution

There is an opportunity to spread the combined capabilities further, across:

- MGP is in the process of launching a PAS as part of its compete solution toolkit.
- MGP and Linear are currently working on a Wrap solution.
- An opportunity for MGP's solution within Linear's Managed Accounts, which are typically SMA/MDAs.

- The merged entity will have enhanced scale, capabilities, products and services and is expected to realise $3.5m in cost synergies and other cost savings, including:
  - Elimination of duplicate head office roles and a reduction in Linear's occupancy costs.
  - A move of some functions from third party service providers to in-house, or negotiation of improved terms.
  - Opportunities to leverage support services.

  These synergies have been verified by Grant Thornton and do not include any potential efficiencies or savings from a full assessment of the optimal technology solution for the merged entities.

- There will also be Revenue synergies from the combined pipeline, new opportunities and the expanded joint offering with MGP's expanded sales presence, as Linear does not presently have a dedicated sales force. This increased sales presence follows:
  - The appointment of Tony Nejasmic as Head of Distribution and Marketing late in the June 2017.
  - Appointment of new BDMs to add to the pipeline and increase conversion of MOUs, and Training & Relationship Managers to increase the rate of transition and extend the range of services to existing licensees.

- Along with the synergies and other benefits, Linear could contribute around $5.0m in EBITDA in FY19, equating to an acquisition multiple of around 8.5x and add around 12% to FY19 EPS. With Linear's previous losses, there is the ability to utilise around $10.0m in Carry Forward tax losses under the Continuation of Business Test provisions.

- For FY19 we expect combined Revenue of $23.5m, a Proforma increase of 24%, and underlying EBITDA of around $8.2m, within MGP's guidance range of $7.5 to $8.5m. This excludes any transactional or integration costs, but does assume Linear development costs are expensed.

PROFIT & LOSS

Year ended 30-06		2015A	2016A	2017A	*2018E	2019E	2020E
Sales Revenue	**$m**	**4.4**	**5.5**	**6.9**	**19.0**	**23.5**	**29.6**
Increase	%	48.4	26.3	25.4	175.2	23.8	26.1
Cost of Goods Sold	$m	-0.9	-1.2	-1.5	-4.5	-5.3	-6.1
Gross Operating Profit	**$m**	**3.4**	**4.3**	**5.4**	**14.5**	**18.2**	**23.5**
Increase	%	54.5	26.8	25.6	166.0	25.7	29.4
Expenses	$m	-2.7	-3.3	-3.9	-11.7	-10.0	-12.2
EBITDA	**$m**	**0.7**	**1.1**	**1.5**	**2.8**	**8.2**	**11.4**
Increase	%	67.2	46.6	40.4	83.9	195.8	39.4
Gross Operating Margins	%	78.5	78.8	78.9	76.3	77.4	79.4
EBITDA margins	%	16.7	19.4	21.8	14.5	34.7	38.4

Source: MGP, Veritas * FY18 is a Proforma Result, including Linear for a full 12 Months

MGP September Quarter Trading update

Key Points from the recent release:

- MGP FUA for the 12 months to 30/9/17 increased by 14.6% to $2.16b, including Q1 FY18 Net Inflows of $39.8m. As at 27/10/17, FUA had increased to $2.20b.
- The MOU pipeline increased by 40% to over $5.5 billion, following an expansion of distribution and Relationship resources and the appointment of Tony Nejasmic as Head of Distribution and Marketing late in the June 2017 and the expansion of his team.
- Separately, MGP has signed a new MOU with Shaw and Partners, which has over $2.5b of FUA, suitable for MGP's platform. This is in addition to a MOU with a major independent Private Wealth Manager, which has FUA of around A$3b.
- MGP has been admitted as an ASX participant to provide non-custodial services, enhancing its non-custodial solution and strengthening its range of services to the intermediated and institutional market.

Valuation

We have a Valuation of $0.44 ps for MGP, a 58% premium to the Placement/SPP price, based on an FY19 Enterprise Value:EBITDA ratio of 15.5x. While there is an element of execution risk, we believe this multiple is justified, representing a 13.5% discount to the Weighted Average of 17.9x for 4 similar listed comparable companies, with MGP generating higher EBITDA margins and a stronger 3 year EBITDA growth rate. Also, this valuation takes no account of the extensive Tax Losses within Linear.

VALUATION

Method		EBITDA	Multiple	Valuation	
EV/EBITDA Muliple		**FY19**	**x**	**$m**	**¢ps**
EBITDA	$m	8.2	15.5x	126.5	41
Net Cash FY18	$m			10.3	3
Valuation	$m			136.8	45
Valuation	cps			**45**	
Current Price	cps			**31**	
Valuation Premium (-)/Discount (+)				**45%**	

Source: Veritas

The table below compares MGP with 4 similar financial service/technology companies.

Financial Services

Company	Code	Revenue ($m)			EBITDA ($m)			EBITDA Margins (%)			NPAT ($m)			DPS (cps)		
		18E	19E	20E	18E	19E	20E	18E	19E	20E	18E	19E	20E	18E	19E	20E
Managed Accounts	**MGP**	**19.0**	**23.5**	**29.6**	**2.8**	**8.2**	**11.4**	14.5	34.7	38.4	**2.6**	**6.0**	**9.2**	**0.0**	**0.9**	**1.0**
HUB 24	HUB	83	100	118	13.8	23.7	36.1	16.6	23.7	30.5	10.7	18.5	25.4	10.5	26.0	34.9
OneVue	OVH	52	61	70	9.1	13.3	17.2	17.3	21.7	24.7	5.2	9.7	11.2	0.0	1.1	2.5
Class	CL1	36	43	50	17.8	22.4	27.0	49.7	52.0	53.6	9.8	12.6	15.5	5.5	7.1	8.6
Praemium	PPS	41	48	55	10.2	14.5	18.7	24.8	30.1	33.8	6.5	9.8	13.2	0.0	0.8	1.2
Weighted Average								**24.0**	**29.3**	**33.7**						

Company	Code	Price	*Mkt Cap	*Ent Val	*EV/Revenue (x)			*EV/EBITDA (x)			*PER (x)			Yield (%)		
		A$	A$m	A$m	18E	19E	20E	18E	19E	20E	18E	19E	20E	18E	19E	20E
Managed Accounts	**MGP**	**0.28**	**95**	**88**	**4.6**	**3.7**	**3.0**	**31.9**	**10.8**	**7.7**	**37.0**	**15.9**	**10.3**	**0.0**	**3.0**	**3.6**
HUB 24	HUB	8.70	530	519	6.3	5.2	4.4	37.7	21.9	14.4	49.7	28.7	20.9	1.2	3.0	4.0
OneVue	OVH	0.67	180	162	3.1	2.6	2.3	17.9	12.2	9.4	34.4	18.4	16.0	0.0	1.7	3.8
Class	CL1	2.95	339	319	8.9	7.4	6.3	17.9	14.2	11.8	34.5	27.0	21.8	1.9	2.4	2.9
Praemium	PPS	0.59	236	227	5.5	4.7	4.1	22.3	15.7	12.1	36.5	24.2	17.9	0.0	1.4	2.0
Weighted Average			**1379**	**1315**	**6.4**	**5.3**	**4.6**	**27.1**	**17.5**	**12.6**	**41.3**	**26.1**	**19.9**	**1.0**	**2.4**	**3.3**
Average					**4.8**	**4.0**	**3.4**	**19.2**	**12.8**	**9.5**	**31.0**	**19.7**	**15.3**	**0.6**	**1.7**	**2.5**

Source: Veritas, FactSet * Based on a current Enterprise Value and Market Capitalisation.

Note: EV/Revenue, EV/EBITDA and PER above are based on the current Enterprise Value and Market Capitalisation. The lower ratios for MGP on Page 1 and 2 reflect the Forecast Enterprise Value and Market Capitalisation for each year.

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BUY – anticipated stock return is greater than 10%
SELL – anticipated stock return is less than -10%
HOLD – anticipated stock return is between -10% and +10%
SPECULATIVE – High risk with stock price likely to fluctuate by 50% or more

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