



ASX Release Announcement - 9 November 2020

Alex Waislitz and Ex-UBS executive Christian Baylis to launch Fortlake Asset Management in partnership with Fund Income

Sydney, 9 November 2020 – Former UBS senior executive, Christian Baylis and Alex Waislitz are joining forces to launch a new funds management business, Fortlake Asset Management, targeting institutions and retail investors with a range of fixed income funds. Fund Income, the fund incubation business, wholly owned by Cashwerkz (CWZ), through Trustees Australia Limited (TAL) will launch Fortlake Asset Management.

Fortlake Asset Management will be supported by J.P. Morgan, Tactical Global Management Limited (TGM) and Link Fund Solutions, amongst others, as we deliver a range of fixed income funds to market both within Australia and internationally.

Jon Lechte, Non-Executive Director of Fortlake and CEO of CWZ said “We are delighted to bring the Fortlake Asset Management business to market, our first fund within the Fund Income business. The quality of the people within the business and the partners to the business, is a great example of the high standards we have within Fund Income.”

Lechte continues “Over time Fortlake and the Bond Income business will have some shared capability and synergy, Dr Baylis delivers the opportunity for collaboration with the best market insight and expertise to also provide Individually Managed Accounts (IMAs).”

Dr Baylis is a highly regarded Australian-based fixed income manager with broad experience across global fixed income and derivatives strategies, having worked previously at UBS Asset Management, the Reserve Bank of Australia (RBA) and Standard and Poor’s.

He said “We have selected a very strong team of leaders in the industry, board members and advisers planning to hit the ground running and attract funds to be managed by Fortlake Asset Management.

“The volatility of the share market has led many investors to seek stable alternatives for capital that offer good returns after inflation through sophisticated management in the fixed income market”, he added.

Alex Waislitz stated “we are excited by the opportunity to be working with Christian and his team. He is a best in class manager with a clearly demonstrable track record. In the current low interest rate environment, the performance of a fixed income manager is more important than ever.”

Dr Peter Higgs, TGM Executive Chairman and Chairman of Fortlake Asset Management said, “We are excited to be working with Christian and very pleased to be a foundational Partner with Fortlake. TGM and Fortlake share many complimentary skill sets and share a kindred philosophical approach to clients in the way we approach their objectives and aspirations. We believe the combination of these capabilities particularly in the institutional asset management arena and beyond will provide clients with unique fixed income solutions and capabilities which would otherwise be difficult to replicate.”

Overview

Fortlake Asset Management combines an experienced Fixed Income Manager offering institutional capabilities in a boutique structure, with a focus on generating returns above inflation. Fortlake will offer a holistic view to fixed income investment management by incorporating a variety of specialised techniques and strategies to deliver diversified returns.

Institutional Grade Support

Institutional grade support from J.P. Morgan and TGM. Specifically, J.P. Morgan will be providing services, including but not limited to clearing, custodial and financial markets access. Fortlake Asset Management has launched a new fully functional client facing website where customers will be able to subscribe for insights and submit applications for funds at www.fortlake.com.au.

Fortlake Asset Management Team

Our team of highly-regarded, qualified and experienced investment professionals deliver world-class fixed income solutions to our valued clients. Operating within a boutique structure allows the team to be flexible, adaptable, and focused to deliver bespoke investment solutions to suit clients’ needs.

Fortlake Asset Management provides investors with access to knowledge, awarded expertise, world class infrastructure and the investment methodology and process of a portfolio management team with a strong track record of outstanding performance.

Fortlake Asset Management – Board of Directors

- Dr Peter Higgs – Chairman
- Dr Christian Baylis – Managing Director
- Alex Waislitz or Martin Casey (Thorney) – Major Shareholder & Non-Executive Director
- Dr Kylie-Anne Richards – Executive Director
- Jon Lechte – Non-Executive Director

Fortlake Asset Management - Board of Advisers

- Peter Coad – Chair of the Risk Committee

The Cashwerkz Board of Directors approved this announcement for release.

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Further Details For additional company information or media enquiries, please contact:

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Fund Income

Fund Income was established this year as a wholly owned subsidiary of Cashwerkz to help facilitate the establishment and growth of innovative new fund managers. Senior and experienced executives from across the industry make up the leadership and executive team.

Fortlake Asset Management

Fortlake Asset Management combines an experienced Fixed Income Manager supported by J.P. Morgan, Tactical Global Management Limited and Link Fund Solutions offering institutional capabilities in a boutique structure, with a focus on generating returns above inflation. Fortlake Asset Management will take a holistic view to fixed income investments by incorporating a variety of specialised techniques, methodologies, and strategies to deliver diversified returns. Fortlake Asset Management has a unique investment process allowing it to be flexible, adaptable and tailor bespoke investment solutions to suit client needs and deliver consistent returns. Fortlake Asset Management. ABN 30 643 640 939 | CAR #001284204 AFSL 260038 & CAR #001283388.

Trustees Australia

Trustees Australia provides a range of trustee and custodial services, it delivers trusted, responsibility entity services to fund managers and investors requiring bespoke solutions. Ernst and Young recently appointed to provide infrastructure and further support. Trustees Australia Limited ABN 63 010 579 058 AFSL 260038.

APPENDIX

Dr Peter Higgs - Chairman

Peter is an economist by training with a PhD from Harvard University and has extensive international experience in funds management. In 1997 he founded and remains Chairman of TGM, a specialist global derivative and currency overlay asset management company based in Brisbane which today transacts approximately \$10b in equity and bond futures and \$25b in FX p.a. within its institutional investment programmes. Over the last decade TGM has also been supporting and investing in sustainable development investments. Peter is Chairman of Wellers Impact an investment management firm based in London that works in partnership with education and health charities in Africa and manages a global water sanitation and plastic recycling investment fund. Peter is a Fellow of the Financial Services Institute of Australia (Finsia), a Fellow of the Australian Institute of Company Directors (FAICD) and a Member of the Institute of Directors (MInstD).

Peter Coad – Non-Executive Director & Chair of the Risk Committee

Peter has more than 30 years' experience in domestic and international banking and is a specialist in financial services and risk management with broad experience in global financial/capital markets, funds management, credit and institutional banking. Prior to this role, Peter served in senior executive roles at National Australia Bank from 2005 to 2017 where his leadership responsibilities included Managing Director and Head of Global Markets & Asset Servicing, Deputy Group Executive Wholesale Banking, Chief Risk Officer Business Banking and Executive General Manager International Branches and Transformation.

Peter previously worked for Commonwealth Bank of Australia in Sydney and at Chase Manhattan Bank in Asia and the USA where he held global and regional leadership roles in financial/capital markets with responsibility for distribution, trading, research and underwriting of foreign exchange, fixed income, commodities, derivatives, credit and new financial products. Peter is a non-executive director and chair of MoneyMe Ltd. and is a member of the A.I.C.D.

Dr Christian Baylis – Founder and Chief Investment Officer

Christian is a highly regarded Australian-based manager with broad experience across global fixed

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income and derivatives strategies, having worked previously at UBS Asset Management and the Reserve Bank of Australia (RBA).

Christian is pleased to be investing along-side some of the most respected global financial services firms, who are supporting Fortlake Asset Management. Fortlake Asset Management in partnership with large global financial services firms incorporating JP Morgan, TGM, Ernst & Young provide institutional capabilities and a unique operating framework.

Christian managed in excess of \$8 billion AUM and was the lead Portfolio Manager in the UBS Australian Fixed Income team for the UBS Cash Plus Fund, the Insurance and ALM book of business and ran a complex methodology of overlay strategies for large cross-border liability clients. Christian was also a member of the UBS Global Multi Strategy Committee and was appointed as the Australian representative for the UBS Global Dynamic Fund, the core global unconstrained Fixed Income offering for UBS Asset Management.

Christian was Head of UBS's Derivative Strategy, Inflation Linked Assets and Credit Trading across the Australian Fixed Income business, managing more than \$26 billion. This role incorporated oversight of Sector Strategy – incorporating Semi-government and Sovereign Supra National Agencies (SSAs) and the development of the associated ESG framework for these assets. As a member of the UBS Global Multi Strategy Committee, Christian was actively involved in the macro analysis and research of fixed income markets for the global Fixed Income business.

Christian joined UBS Asset Management in March 2011. Whilst managing the UBS Cash-Plus Fund from March 2011 to May 2020, Christian obtained the only 'Highly Recommended' rating from Zenith for consecutive years 2017 – 2020 for the Short-Term Credit category. Prior to this, he was a Senior Analyst at the Reserve Bank of Australia (RBA), managing the Bank's investment portfolio, liquidity and liability profile. Prior to his role at the RBA, Christian worked for Standard and Poor's, as a Rating Specialist conducting rating assessments and research.

Christian has a PhD in Econometrics from Monash University and was a recipient of the distinguished Exceed First Class Honours award, receiving a perfect GPA. Christian won the Australian Postgraduate Scholar Award at both University of New South Wales (UNSW) and the University of Sydney (USYD) for his work in the Econometrics field and was a visiting scholar at Monash University in the Econometrics faculty. Christian was also the recipient of the prestigious Capital Markets CRC PhD Scholarship where his work focused on alternative methods of inflation modelling, probability density functions and option implied distributions.