

Ansarada, a virtual data room provider, raises \$24m in Ellerston-led round



Ansarada co-founders Andrew Slavin, left, Sam Riley and Rachel Riley. Jason Loucas



by [Michael Bailey](#)

Ansarada, a Sydney-based provider of virtual data rooms and organiser of business information, has raised \$24 million led by Ashok Jacob's Ellerston Capital.

The company, which made \$31 million revenue for a \$1.2 million profit after tax in 2016-17, plans a public listing within two years of this raise, which included three more local cornerstone investors in [Tempus Partners](#), Belay Capital and Australian Ethical Investments.

The six-figure advisory fee for the raise will go to anti-poverty projects in Uganda and Nepal, because Ansarada used Adara Partners, whose panel of investment bankers [work on a pro bono basis](#).

Data presented by Ansarada has informed more than 20,000 mergers, acquisitions, capital raisings or other "business-critical" events since the company's founding in 2005, according to co-founder and chief executive Sam Riley.



Ashok Jacob, chairman and chief investment officer of Ellerston Capital, which has backed Ansarada. **Brendon Thorne**

About 50 per cent of Ansarada's revenue, which Mr Riley forecast would exceed \$40 million in 2017-18, is derived offshore and its 200 staff are spread across offices in Sydney, Chicago, London, New York, Amsterdam, Frankfurt, Johannesburg, and Hong Kong, with a development centre in Ho Chi Minh City.

Clients include Google, VMWare, CBRE, Sony, PwC and KPMG, where co-founder Rachel Riley, Sam's sister, was working in the transaction services team prior to starting Ansarada.

The \$24 million Series A, Ansarada's first external capital since a \$1.4 million injection in 2008, would help the company meet "surging demand" for its Material Information Platform, a tool that claims to help businesses monitor ongoing operations and make them ready for a critical event, according to Mr Riley.

Risk discovery

"The language an investor or buyer speaks is not the language a company tends to structure their data under," he said.

"Risks get discovered way too late, after a transaction is under way, and it can cost business owners a lot of time, stress and money."

Mr Riley had seen businesses where, for instance, material contracts or key supplier agreements were out of date, or not properly signed.

"Or they're operating without a forecasting model in place. If you do a deal you'll need one but should have one anyway. If you're not ready to express your case very fast and very well when an event arises, you're at a disadvantage."

Apart from more sales and customer support staff, Ansarada planned to keep investing in artificial intelligence and machine learning, Mr Riley said.

Its data room clients have since last year been able to access an "AI bidder engagement score", which uses 57 metrics such as type of question asked, and number of documents viewed on a weekend, to sort genuine buyers from tyre-kicke

Within seven days of a prospective buyer's initial engagement, the system had predicted with 97 per cent accuracy whether they would complete their due diligence and submit an offer to the seller, Mr Riley claimed.

The system would eventually "learn" enough to even forecast offers, but in the meantime Ansarada's data could still give vendors a good idea of their prospects.

"We've got 20,000 deals to tell us what 'good' looks like and how you are tracking against that," he said.

<http://www.afr.com/technology/ansarada-a-virtual-data-room-provider-raises-24m-in-ellerstonled-round-20180321-h0xrhz#ixzz5AQxwDVYX>