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**— Street Talk**

# Five V's big miss! Marketing tech business Metigy hits the skids

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Aug 1, 2022 - 3.07pm

Marketing technology company Metigy, an IPO hopeful backed by some well known Australian investment shops, has called in the administrators only months after planning a capital raising that was seeking a \$1 billion-plus valuation.



Metigy CEO and co-founder David Fairfull (seated) with CTO and co-founder Johnson Lin. The pair believe COVID-era US offers the opportunity for more rapid growth. **Dominic Lorrimer**

Simon Cathro and Andrew Blundell of Sydney boutique Cathro Partners were appointed as administrators on Friday night, in a situation that sources said had unravelled quickly.

Cathro confirmed his appointment when contacted by Street Talk on Monday, but declined to comment further.

Metigy was understood to have had about 75 staff, who were notified on Monday.

Other investors were shocked at the administrator's appointment, given the company's rapid revenue growth and recent capital raising talks, which were live only two months ago.

Metigy was founded in 2015 by David Fairfull and Johnson Lin, and was named by combining the name of the Greek goddess of wisdom and thought Metis with the word strategy.

It was set up to provides small business clients with an artificial intelligence-fuelled platform that could provide insights on their potential customers for marketing purposes.

### Five V's venture capital case studies, as at May

SOURCE: FIVE V

Venture capital	Company overview	Valuation when invested	Last evaluation	Five V MoM* (x)	Five V IRR** (%)
Canva	Online design and publishing tool	Oct 2012 \$8m	→ Sep 2021 \$55b	Realised 40.0	Realised 136.0
SiteMinder	Global open hotel channel & commerce platform	Apr 2012 \$42m	→ May 2022 (ASX) \$1.3b	Realised 19.7	Realised 37.3
Rokt	Global ecommerce marketing technology	Mar 2013 \$4m	→ Dec 2021 \$2.8b	Realised 6.2	Realised 37.4
<b>Metigy</b>	<b>Artificial intelligence powered digital marketing solutions for SMEs</b>	<b>Oct 2020 \$105m</b>	<b>→ Apr 2022 \$1.0b</b>	<b>Unrealised 10.0</b>	<b>Unrealised 508</b>

\* Multiple of money \*\* Internal rate of return

A recent presentation from one of its investors said Metigy had grown revenue at more than 300 per cent in both the 2020 and 2021 financial years, and had more than 25,000 clients across 92 countries.

Investors used Metigy to show the strength of their pre-IPO investment portfolios.

Metigy has more than 30 shareholders, according to documents lodged with the corporate regulator, with the biggest investors including its founders and their associates.

However, the company picked up capital from a raft of institutional investment firms in recent years including Adrian MacKenzie and Srdjan Dangubic's Five V Capital and Thorney Group.

## \$1b valuation

Five V, for example, invested \$2.5 million in 2020 and another \$5.3 million last year. The manager talked up Metigy's prospects as an Australian technology sector unicorn with a valuation at \$1 billion, according to a presentation given to its investors in May.

Such a valuation implied a 10-times money gain for Five V and a 508 per cent return on an IRR basis (all unrealised). That's all looking uncertain, given Metigy's administration. Other investors were much more cautious, carrying Metigy on their books at \$500 million or less at June 30.

Investors including Five V and Thorney landed on Metigy's share register as its backers spoke openly about targeting a float on the ASX, saying it could happen from 2022 [<https://www.afr.com/technology/marketing-ai-start-up-metigy-raises-20m-as-covid-helps-growth-20201118-p56fqo>].

It is not known what prompted last week's call to the administrators on Friday night, however investors were scrambling for answers come Monday. Staff were also dumbfounded.

The situation comes amid a stark change in fundraising conditions for private and public technology companies, both in Australia and offshore.

An inability to raise capital has sent others to the wall, including fintech Volt Bank which returned more than \$100 million deposits to customers in late June and is now seeking a buyer for its assets [<https://www.afr.com/companies/financial-services/volt-bank-to-close-return-100m-deposits-to-customers-20220629-p5axl9>].

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