

28 November 2019

Chairman's AGM Address

Good afternoon fellow shareholders,

The 2019 financial year has been one for building the foundations of our business in order to leverage the exciting growth opportunities we see in front of us and the differentiated investment offerings we have already started bringing to our fund investors. Our focus remains on building a strong underlying business via attractive fund offerings which will also deliver significant value for shareholders over time.

This starts with a first-class team across funds management and analysis, capital markets, distribution and fund operations. While we will continue to build on the team as and when necessary, we feel that the key components are now in place to stand us in very good stead over the next few years. I would like to take this opportunity to thank the Auctus team for all their hard work, which has certainly continued into FY20.

The second pillar of our growth stems from the global partnerships we established over FY19.

Scout Ventures, our US based early stage venture partner, has an exciting portfolio of frontier technology companies built by "hard-to-access" founders emanating from US military and government agencies. Our first stand-alone investment in Unite Us was a Scout Ventures Fund II portfolio company, and we have recently launched an Australian based feeder into Scout's Fund III. Scout also continues to present unique later-stage private equity opportunities to our investment team and we look forward to offering some of these to investors over the months and years ahead.

Our other US asset management partnership is via our 30% shareholding in RBP Partners. RBP is the sub-manager of our Energy Storage Fund, which is a US\$25m investment providing our fund investors with exposure to the global push toward renewable energy and the increasing demand for battery-based energy storage as part of that solution. In addition to this fund, RBP is looking at other opportunities across the energy transformation and operational infrastructure landscape. Our partnership and investment in RBP provides Auctus with experienced North American investment management expertise and a scalable platform that can grow in conjunction with our domestic based asset management capabilities.

We will continue to look at future partnerships that provide unique access to investment expertise and offerings that are scalable and accretive.

As with all asset management businesses, the key determinant of our future revenue improvement is growth in Assets Under Management & Advice (AUMA). To this end the journey has well and truly begun, with AUMA moving from \$13m in December 2018 to \$25m by June 2019. This led to the generation of approximately \$530k in revenue during the financial year.



ASX ANNOUNCEMENT (ASX: AVC)

Auctus has continued to grow AUMA in the current financial year, exceeding \$60m at the end of September. We are currently evaluating numerous opportunities to take to our fund investors in the first quarter of calendar year 2020.

Importantly, we continue to see strong investor demand for alternative investments. We expect this demand to increase markedly over the coming years and as Auctus continues to build its reputation in the market, we look forward to providing investment opportunities that become a core component of many investor portfolios.

For further information, please contact:

Campbell McComb
Chairman and Managing Director

enquiries@auctusinvest.com