

26 July 2021
ASX Announcement

June 2021 Quarterly Activities in Review & Appendix 4C

Key Points

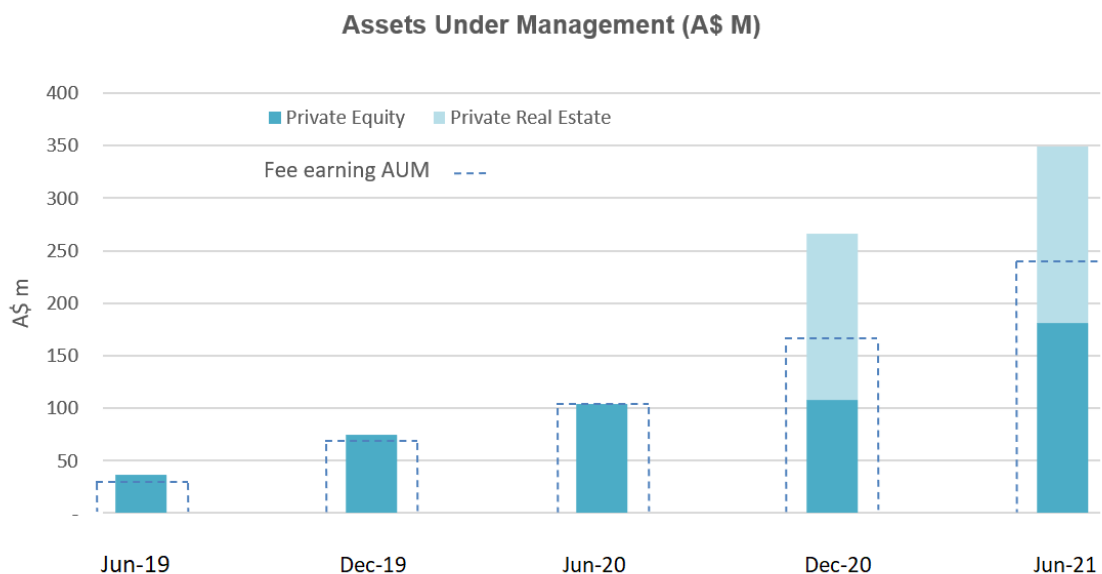
- Assets Under Management (“AUM”) up 230% over the year to \$350M
- Cash receipts for the full year of \$4.8M
- Close to operating cash flow break even for the year (-\$38k)
- Cash balance at the end of June was \$14.5M
- Launch of US Opportunities Limited and investment in Voyager Space Holdings

Auctus Investment Group Limited (‘AVC’, ‘Auctus’ or ‘the Company’) is pleased to provide the following update in relation to activities for the June quarter of 2021.

Auctus Asset Management Pty Ltd (Auctus AM)

Auctus Asset Management (‘Auctus AM’) increased Assets Under Management (AUM) from A\$105M at the end of June 2020 to A\$350M at the end of June 2021, a 233% improvement.

Fee earning AUM over the same period increased to \$247M, an uplift of 135%.



Cash Flow from Operations and Cash Position

Auctus AM generated more than \$4.8M in cash receipts from customers for FY21. Net cash used in operating activities for the quarter was (\$255k), taking cash flow for the full year slightly negative at (\$38k).

On 23 June 2021, the Company announced that it had received commitments for a Capital Raising of \$10.07 million through the issue of 9.5 million new fully paid ordinary shares with an issue price of \$1.06 per share.

Post the Capital Raise, the Company ended FY21 with just over \$14.5M in cash.

Operations Update

US Opportunities Limited (USO)

USO was incorporated in late June and has since raised approximately \$22M (not included in AUM figures above). AVC has invested US\$2.5 million into the issued capital of USO subsequent to 30 June 2021.

In July 2021, USO completed its first investment through a US\$15M investment into Voyager Space Holdings (Voyager).

Voyager is a Colorado based NewSpace Infrastructure as a Service company. Their goal is to capture the entrepreneurial and innovative aspects of the new space economy, focusing on creating and harnessing that capability into one single operating platform.

The investment will provide working capital and support potential acquisition opportunities as Voyager moves towards a traditional S1 listing in the US over the next 6-8 months. A summary of Voyager's activities is located on their website at www.voyagerspace.com.

US Student Housing

Auctus has continued to take in capital for the SQ Property Opportunities Fund (**SQ Fund**). We are currently evaluating numerous potential acquisitions to deploy this capital and expect to contract at least two properties in the coming months.

As announced on 23 June 2021, Auctus is exploring a potential ASX listing for this Fund. It is currently the intention of the manager to cease taking capital in over the next few weeks and target a listing by Q1 2022.

Impact Investment Partners (Impact)

As announced to the ASX on 16 March 2021, Auctus entered into a binding agreement to purchase approximately 24% of Impact. Auctus completed the first Tranche 1 of a 7% interest in Impact during the March 2021 quarter and subsequent to the end of the June 2021 quarter, has now completed the Tranche 2 acquisition of a further 7% interest through payment of \$1.05 million. A total of \$2.1M has been paid to date in exchange for a combined 14% holding in Impact.

The purchase of the remaining ~10% is being completed via a share swap under which existing Impact shareholders can swap their Impact shares for shares in Auctus. This is expected to be completed in the coming weeks at an exchange rate of approximately 2.216 Impact shares for each Auctus share, based on a \$1.06 Auctus share price.

Scout Fund III GP Closing

During the quarter, the Company paid US\$214,000 following closure of the Scout Fund III GP raising. The Company had previously issued a total of 3 million options with 1.5 million options subject to closing of the fund. A total of 856,800 unlisted options were cancelled as a result of the closure of the fund.

Related party payments

Payments noted in Section 6 of the accompanying Appendix 4C for related party payments during the quarter relate to the following:

- settlement of directors' fees and salaries, including payment of invoices and amounts due from prior periods amounting to \$181k; and
- settlement of an outstanding payment relating to closure of the Scout Fund III raise amounting to approximately \$282k (being US\$214k), an entity related to Director Mr Brad Harrison.

-Ends

This announcement has been authorised for release by the Board of AVC.

For shareholder enquires please contact:

Campbell McComb
Managing Director

enquiries@auctusinvest.com

About Auctus

Auctus Investment Group Limited ('Auctus') is an ASX listed global investment manager with ~A\$350M Assets Under Management (AUM), focusing on opportunities across private equity, infrastructure and private real estate. Our core investment thesis is investing in sectors with strong tailwinds and potential to scale. Auctus provides access to these private market investments for wholesale, Family Office and sophisticated investors.

AUCTUS INVESTMENT GROUP LIMITED (ASX: AVC)

Appendix 4C**Quarterly cash flow report for entities
subject to Listing Rule 4.7B****Name of entity****AUCTUS INVESTMENT GROUP LIMITED (ASX: AVC)****ABN****76 149 278 759****Quarter ended ("current quarter")****30 June 2021**

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	1,082	4,817
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(160)	(887)
(c) advertising and marketing	-	-
(d) leased assets	-	-
(e) staff costs	(811)	(2,703)
(f) administration and corporate costs	(366)	(1,406)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	141
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(255)	(38)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	(8)	(11)
(d) investments	(282)	(1,975)
(e) intellectual property	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
	(f) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	(138)
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	(731)
2.4	Dividends received (see note 3)	-	-
2.5	Other (Repayment of Gophr Convertible Notes)	(4)	1,015
2.6	Net cash from / (used in) investing activities	(294)	(1,840)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	10,070	14,727
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(32)	(97)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	10,038	14,630

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	4,998	1,818
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(255)	(38)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(294)	(1,840)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	10,038	14,630
4.5	Effect of movement in exchange rates on cash held	49	(34)
4.6	Cash and cash equivalents at end of period	14,536	14,536

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	14,536	4,998
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	14,536	4,998

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	181
6.2	Aggregate amount of payments to related parties and their associates included in item 2	282
Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments		

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(255)
8.2	Cash and cash equivalents at quarter end (item 4.6)	14,536
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	14,536
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	57
	<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6	If Item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: N/A	
8.6.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer: N/A	
8.6.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	Answer: N/A	
	<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 26 July 2021

Authorised by: The Board of Directors
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.