

Auctus Investment Group Limited (ASX: AVC)

FULL YEAR 21 RESULTS PRESENTATION

August 2021



TABLE OF CONTENTS

1	FY21 Results and Highlights	2
2	Corporate and Investment Update	5
3	Our Partners and Strategic Investments	11
4	Governance and Independent Third-Party Providers	13

FY21 RESULTS AND HIGHLIGHTS

AUCTUS INVESTMENT GROUP LIMITED
FY21 RESULTS HIGHLIGHTS



AUM GROWTH

Up 230% to \$350M
FY20 \$105M



REVENUE

Up 173% to \$8.16M
FY20 \$2.98M



PROFIT

Net Profit After Tax of \$1.79M
FY20 loss of (\$2.96M)



BALANCE SHEET

Net Assets up to \$25.3M
FY20 \$7.5M

FY21 FINANCIAL POSITION



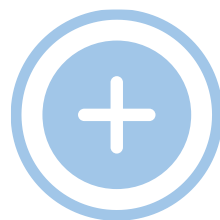
CURRENT CASH

Ending FY cash balance of \$14.5M
up from \$1.8M (FY20)



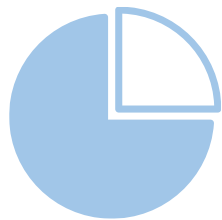
TOTAL ASSETS

Total assets of \$26.9M



NET ASSET POSITION

Net asset position of \$25.3m
up from \$7.5M (FY20)



NET ASSET PER SHARE

Net Asset Per Share of 32.98 cents
up from 12.73 cents per share (FY20)

ASSETS UNDER MANAGEMENT MAIN DRIVER OF GROWTH

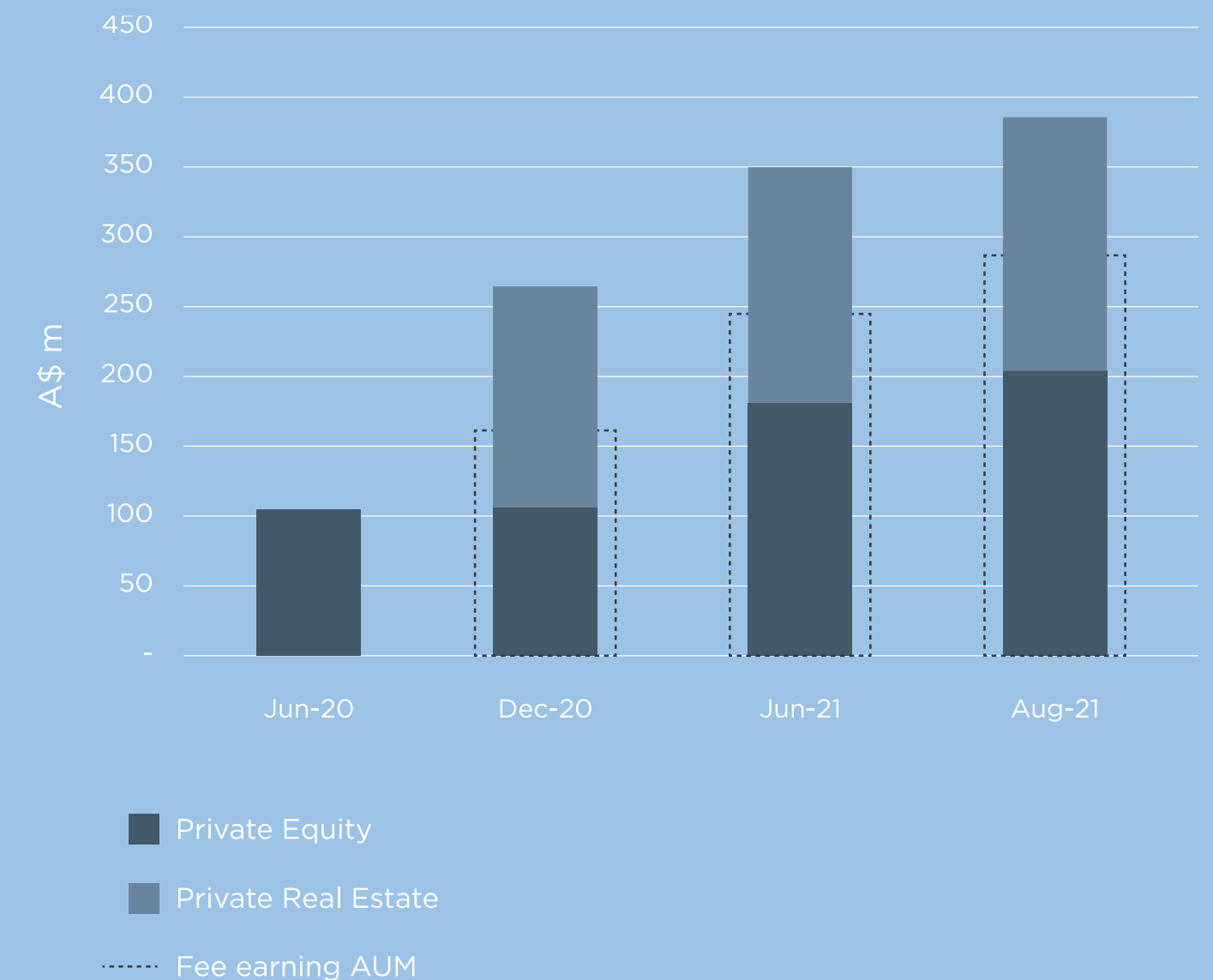
CONTINUED GROWTH IN FY21

- During FY21 Auctus has grown from \$105M to \$350M (up 230%) in Assets Under Management (AUM)
- AUM increased in FY21 due to the following investments:
 - Launch of the Pet Fund and successful capital raise of \$58M
 - Continued capital raise in the SQ Property Opportunities Fund (US Student Housing)
 - Settled on seed fund asset, “The Edge” at Texas Tech for US\$26.6M

CONTINUING MOMENTUM IN FY22

- Since the end of June 21, AUM increased a further \$45m (+12.5%) to \$395m
- New opportunities including being appointed investment manager on US Opportunities Limited
- Continued investment in US student housing with a new asset awarded at Clemson University for US\$25.5M (due to settle in Q4 2021 and not included in current AUM)
- Last week awarded an additional asset and subject to due diligence will add ~US\$25M of AUM

ASSETS UNDER MANAGEMENT (A\$M)



AUCTUS INVESTMENT GROUP LIMITED (ASX: AVC)
FY21 PROFIT

	FY21	FY20	MOVEMENT
Total Revenue (includes other income)	\$8.58M	\$2.98M	Up 188%
Total Expenses (includes non-cash)	\$6.79M	\$5.94M	Up 13%
Net Profit After Tax	\$1.79M	(\$2.96M)	N/A
Cash Flow Used In Operations	(\$0.07M)	(\$0.47M)	
Earnings Per Share	3.05 cents	(8.53 cents)	

FY21 REVENUE BREAKDOWN

Recurring Revenue	\$1.10M
Transaction Revenue	\$3.01M
Accrued Performance Fees	\$4.05M ¹
Total Revenue	\$8.16M
Run Rate Recurring Revenue	\$2.10M ²

Recurring revenue growth coincides with increase in AUM over the period.

1. Based on independent valuations of portfolio companies including transactions
2. Run rate recurring revenue at 30.6.21

CORPORATE AND
INVESTMENT UPDATE

AUCTUS INVESTMENT GROUP LIMITED (ASX: AVC)

OVERVIEW

- Auctus Investment Group Limited (ASX: AVC) is an ASX listed private markets asset manager based in Melbourne, Australia
- Currently managing >A\$395M as at August 2021 across healthcare technology, energy infrastructure, operating real estate & consumer essentials
- Experienced staff of 8 across Melbourne and Sydney and 15+ joint venture investment professionals located across the United States and Asia
- Auctus owns minority interests in other asset managers including Impact Investment Partners (IIP), RBP Partners (US based) and Odyssey Group (Hong Kong & Singapore based)

AUCTUS

- Our core investment thesis is investing in sectors with strong tailwinds and potential to scale.
- Auctus provides access to these private market investments for HNW, Family Office and wholesale investors.

WHY AUCTUS

- We have access to unique investment opportunities via our proprietary networks and joint venture partners
- We focus on scalable technology, energy solutions, infrastructure and real estate
- We aim to deliver excess returns and portfolio diversification

WHAT DO WE DELIVER

- Investments where Auctus and co-investors can deploy between \$20M - \$100M
- Private mid-market investment opportunities with strong management, a proven product, recurring customers and revenue streams

CORPORATE STRUCTURE

DIVERSIFICATION OF REVENUE STREAMS

AUCTUS ASSET MANAGEMENT PTY LTD

- Generates revenue for Auctus Investment Group via ongoing management, transaction and performance fees on investments. These fees are charged as a percentage of AUM.
- Our goal is to deliver strong investment performance, translating into strong shareholder returns over time.

AUCTUS INVESTMENT HOLDINGS

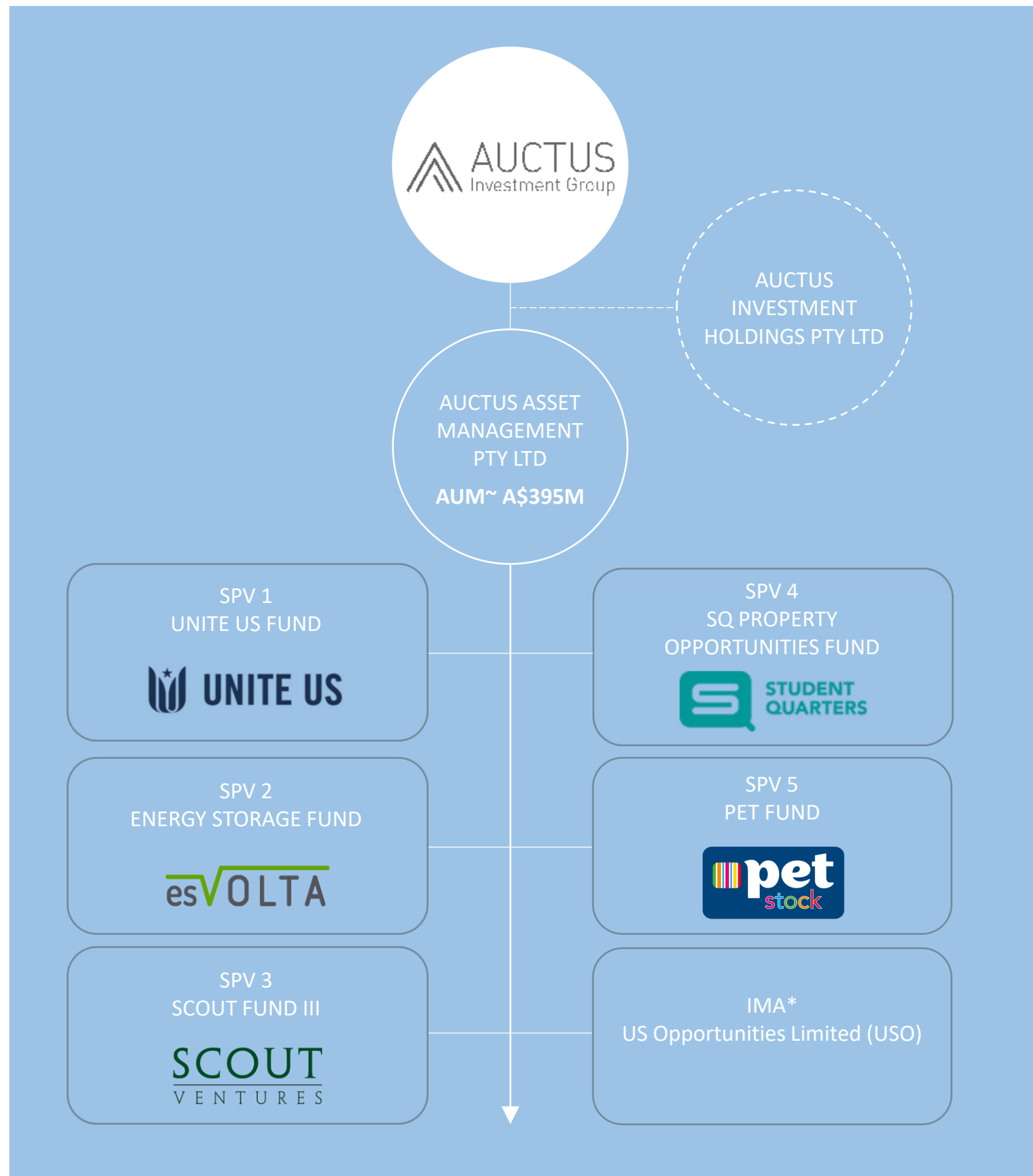
- Holds balance sheet co-investments in growth assets on behalf of Auctus Investment Group
- Group Net Tangible Asset backing of ~\$25m

STRONG SHAREHOLDER BASE

- Addition of new strategic shareholders onto the register along with continued support from existing substantial holders
- Top 20 shareholders = 63.7% with strong employee representation and alignment
- Recent initiatives including Small Shareholder Sale Facility¹ (<A\$500 worth of shares) helped reduce the costs associated with servicing smaller shareholdings

1. ASX announcement on 24th of March 2021

* Auctus Asset Management Pty Ltd was appointed via an Investment Management Agreement for US Opportunities Limited



AUCTUS INVESTMENT GROUP

CURRENT PORTFOLIO



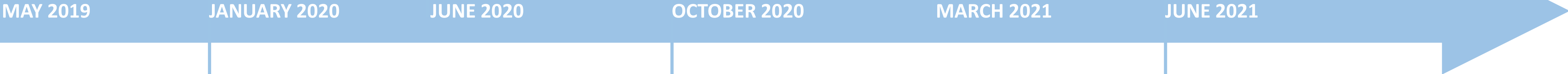
- First transaction that raised US\$4.8M to invest in Unite Us a NYC based healthcare technology company
- Invested at US\$210M post-money valuation with the company’s latest Series C round completed at a post money valuation of US\$1.65BN ~ 24 months from initial investment



- Raised US\$10M fund to invest in Scout Ventures Fund III
- Scout Ventures is a US based, early-stage venture capital firm, that is making the world a better, safer place by cultivating standout frontier technologies built by hard-to-access founders



- Raised AU\$58M fund to invest in Australia & New Zealand’s largest private, family owned, omni-channel pet specialty retailer PETstock
- Minority stake to provide growth capital for future acquisitions and continued growth across all markets



- Raised US\$33.5M for North American utility scale battery storage company
- Currently own a majority stake in esVolta via two SPV’s alongside management and Powin Energy Mature developer, owner & operator across multiple US states



- As at 30 June 21 own & operate ~US\$125M GAV in off campus US student housing assets in joint venture with Student Quarters, LLC
- JV commenced July 2020 with the plan to grow the portfolio via the establishment of a listed REIT

- Awarded mandate on US Opportunities Limited (USO) in June 2021
- Unlisted public company that invests in late stage, pre-IPO private equity transactions sourced from our trusted partners across the US
- Auctus have raised ~A\$30M to date

CURRENT PORTFOLIO

NEW TRANSACTIONS

US OPPORTUNITIES LIMITED (USO)

**CONTINUE TO INVEST IN
US STUDENT HOUSING**

AUCTUS INVESTMENT GROUP
CURRENT PORTFOLIO & NEW INITIATIVES

- Current portfolio is well positioned and has performed extremely well during Covid due to its defensive characteristics
- Exploring partial or full exit options in earlier vintage investment to provide liquidity and optionality to investors
- Undertaking due diligence on new opportunities to expand current portfolio
- Looking at a range of unique opportunities across our proprietary network
- In June 21 Auctus Asset Management was appointed Investment Manager on USO to raise capital to invest in late stage, pre-IPO private equity transactions sourced from our trusted partners across the United States
- USO made its first investment in July 2021 deploying US\$15M
- Continue to pursue an IPO of the jointly managed US student housing portfolio
- Listing via the ASX as a Real Estate Investment Trust (REIT) to provide access to a scalable and defensive asset class to retail and institutional investors

US STUDENT HOUSING UPDATE

SCALABILITY

US STUDENT HOUSING MARKET UPDATE

- Asset class demonstrated resilience of cash flows through the pandemic
- Strong lease-up and enrolment for the upcoming 2021/2022 academic year
- Growing institutional appetite: Blackstone recently announced a US\$784M joint venture and Brookfield Asset Management are in advanced talks to expand its student housing platform into the US with a US\$1BN investment³
- Large and fragmented target market across public 4-year universities
- Auctus and SQ continue to see attractive acquisition opportunities with a strong pipeline of assets worth ~US\$1.5 billion (as of August 2021) across opportunistic, core-plus and value-add strategies*

PORTFOLIO UPDATE

- Current portfolio includes 10 properties
- Strong lease-up of existing portfolio for the upcoming academic year
- Subject to buyer due diligence the joint venture to dispose of two assets for an anticipated return to investors of >15% IRR
- Recently awarded new asset at Tier 1 college Clemson University for US\$25.5M Gross Asset Value (GAV) with the asset due to settle in Q4 2021
- This week awarded a second asset with further due diligence to be undertaken before contracting, will add an additional ~US\$25M GAV during Q4 2021
- As announced on the 23 June 2021, Auctus continue to progress plans for an IPO of the portfolio as a REIT

3. [Blackstone \(BX\) Takes Stake in \\$784 Million Student Housing Portfolio - Bloomberg](https://www.bloomberg.com/news/articles/2021-08-19/brookfield-said-to-plan-1-billion-u-s-student-housing-venture)

<https://www.bloomberg.com/news/articles/2021-08-19/brookfield-said-to-plan-1-billion-u-s-student-housing-venture>

*Source: Student Quarters



Student Quarters (SQ) manage in excess of >US\$950M across off campus US student housing

SQ's current portfolio represents 37 properties and 9,000+ beds at 22 universities

Joint Venture strategy to build a portfolio of off-campus properties worth between US\$20M – US\$40M GAV per asset at public 4-year universities

SQ co-invest 5-10% in each asset as alignment capital alongside Auctus investors

SQ provides best in class operating and leasing experience for premier located, pedestrian friendly assets at major public Universities

OUR PARTNERS
AND STRATEGIC INVESTMENTS

OUR PARTNERS

RECENT STRATEGIC INVESTMENTS

IMPACT INVESTMENT PARTNERS

- As announced on 17th of August 2021 Auctus has taken a 24% stake in Impact Investment Partners (IIP)
- IIP is an investment manager focused on identifying and building essential infrastructure and social infrastructure assets in and for Australia's Indigenous communities through their Indigenous Infrastructure Investment Fund

ODYSSEY GROUP LIMITED

- As announced on 10th of March 2021 Auctus has taken an initial 9.9% stake in Odyssey Group Limited
- Auctus can move to 100% control of Odyssey over a staggered two-year period
- One of Asia's leading mid-market Private Market asset managers and expands Auctus Asset Management into Asia



Our asset management partnerships provide proprietary deal flow typically unavailable to Australian investors.

SCOUT VENTURES:

Based in Austin, Texas Scout invest in standout, frontier technologies built by hard-to-access founders that are making the world a better, safer place.

RBP PARTNERS:

US based private investment firm focused on energy transformation and operational infrastructure investment. RBP specialise in scalable infrastructure investments supported by strong sector fundamentals.

STUDENT QUARTERS:

Based in Atlanta, Georgia Student Quarters is a specialist student housing asset manager with a demonstrated track record of value generation and execution.

GOVERNANCE AND
INDEPENDENT THIRD-PARTY PROVIDERS

GOVERNANCE INDEPENDENT THIRD-PARTY PROVIDERS

EQUITY TRUSTEES LIMITED

- Equity Trustees was established as an independent Trustee and Executor company in 1888 and has become one of Australia's largest specialist trustee companies
- Providing specialist corporate trustee services and independent funds governance services in Australia, the UK and Europe to international and Australian fund managers

MAINSTREAM GROUP HOLDINGS LIMITED

- Mainstream offers a leading fund administration and custody service for fund managers and listed companies.
- Mainstream provide custody, middle office, investment administration, fund accounting and unit registry services



Auctus outsource trustee, administration and custodial services to independent and respected third-party organisations.

These trusted third-parties provide additional oversight to our Fund investors.

Outsourcing these elements of “back office” provides our business with scalability in operations and ensures we are focused on delivering high quality investment opportunities to our investors.



CONTACTS

AUCTUS INVESTMENT GROUP LIMITED

Level 7, 90 Collins Street

Melbourne VIC 3000

ABN: 76 149 278 759

E: enquiries@auctusinvest.com

DISCLAIMER

This presentation has been prepared by Auctus Investment Group Limited ('AUCTUS'). Auctus Asset Management Pty Ltd ABN 30 610 804 263 is a Corporate Authorised Representative of Auctus Pty Ltd, AFSL 517083. The information in this presentation is of a general nature and does not purport to be complete, nor does it contain all the information which would be required in a prospectus prepared in accordance with the requirements of the Corporations Act 2001 (Cth). This presentation contains statements, opinions, projections, forecasts and other material (forward looking statements), based on various assumptions. Those assumptions may or may not prove to be correct. None of AUCTUS, its respective officers, employees, agents, advisers or any other person named in this presentation makes any representation as to the accuracy or likelihood of fulfilment of the forward-looking statements or any of the assumptions upon which they are based. The information contained in this presentation does not take into account the investment objectives, financial situation or particular needs of any recipient and is not financial product advice. Before making an investment decision, recipients of this presentation should consider their own needs and situation and, if necessary, seek independent, professional advice. To the extent permitted by law, AUCTUS and its respective officers, employees, agents and advisers give no warranty, representation or guarantee as to the accuracy, completeness or reliability of the information contained in this presentation. Further, none of AUCTUS and its respective officers, employees, agents and advisers accept, to the extent permitted by law, responsibility for any loss, claim, damages, costs or expenses arising out of, or in connection with, the information contained in this presentation. Any recipient of this presentation should independently satisfy themselves as to the accuracy of all information contained herein. Figures presented throughout this presentation are in Australian dollars (unless otherwise noted) and may not add or calculate precisely due to rounding.