

ASX Announcement

24 November 2021

2021 AGM Chairperson and Managing Director's Address

Auctus Investment Group Limited (ASX: AVC) (Auctus or the Company) provides the attached address to shareholders to be delivered by Ms Christine Christian AO, Auctus' Chair, and Mr Campbell McComb, Auctus' Managing Director, at the Company's 2021 Annual General Meeting, being held virtually today.

About Auctus

Auctus Investment Group Limited ('Auctus') is an ASX listed global investment manager with in-excess of A\$400M 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.

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

For shareholder enquiries please contact:

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Managing Director

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2021 Chair's AGM Address

Good morning shareholders and welcome to our 2021 Annual General Meeting.

The 2021 financial year has certainly been a transformational year for the Company as it continues to build itself as a leading investment manager with a range of unique investment opportunities. Since my appointment in March 2021, the Company has continued to take a number of steps to increase its profile in the funds management community along with building out the team.

The COVID-19 pandemic has definitely been a challenging time for all of us here in Melbourne and the resilience of the team in continuing to review a number of first-class investments and bring them to market has been an exceptional achievement.

Our business is our people and over the past year, we have continued to grow the hard working team at Auctus and will continue to add different expertise as required. As announced in late October 2021, we announced the appointment of Mr Brian Delaney as an Independent Non-executive Director and he commenced the role on 1 November 2021. Mr Michael Hynes decided to step down from the Board on 1 November 2021 and continue in his role as an Executive of the Company. I would like to thank Michael for his tenure on the Board since 2017 and for assisting to direct the Company to where it has come to today.

On behalf of the Board, I would like to thank the Management team and all of our people at Auctus for their tremendous effort and hard work over what was a challenging year. I'd also like to thank our business partners and clients for their ongoing support.

Most importantly, thank you to you, our shareholders, for your ongoing support to Auctus over not only this year but previous years.

With that, I would like to hand over to our Managing Director, Mr Campbell McComb, who will provide his address.

2021 Managing Director's Address

Thank you, Christine. I would also like to welcome all fellow shareholders who have joined us today for this Annual General Meeting.

Can I start by recognising the hard work and dedication by all Auctus personnel who have made the 2021 financial year such a success for Auctus. This momentum has only continued subsequent to the end of the financial year. I would also like to recognise the continued support from all of our shareholders and clients who have backed the team to provide them with first-class investment opportunities and shown belief in our business, strategy and team.

I would like to thank the Board for their guidance and support of the team to carry out our strategy as it continues to evolve. I would also like to welcome our newly appointed Independent Non-executive Director, Mr Brian Delaney to the Board and thank Mr Michael Hynes for his key contribution to the Board since 2017.

We all know how hard it has been over the past couple of years with the COVID-19 pandemic and this has required us to review the investment opportunities in a slightly different way with a lot of virtual meetings not only with investment targets but also with clients. I do believe we have done the best we were able to do during the financial year and have continued to adapt to the new way of conducting business.

The 2021 financial year (**FY21**) was a transformational one for Auctus as we accrued our first performance fees receivable in accordance with the accounting standard requirements. For FY21, an amount of approximately \$4 million was recorded increasing our revenue for the year to \$8.1 million, compared to approximately \$3 million in the previous financial year. The Company also recorded a profit for FY21 amounting to approximately \$1.8 million, compared with a loss of approximately \$3.3 million in the previous financial year.

The Company increased the strength of its Net Asset position as at FY21 to approximately \$27 million, compared to approximately \$9.5 million in the previous financial year. Part of the increase was due to the completion of a capital raising in June 2021 which secured \$10.07 million from professional and sophisticated investors and a number of family offices who have continued to back our business strategy.

During FY21, the Company continued to raise funds for our SQ Property Opportunities Fund (**SQ Fund**), whilst also announcing that the Company is exploring the potential for listing the SQ Fund on ASX. Significant progress has been made to date with respect of setting up the SQ Fund for an ASX Listing and I would like to thank the team at Auctus and all of our partners for our progress to date.

The Company also completed its capital raise for the Pet Fund in March 2021 raising in excess of \$55 million. The funds raised were used to strengthen the balance sheet and support PETstock's exciting growth prospect. It was also the first Australian fund which the team at Auctus completed and one of many to be completed over the coming years.

More recently in September 2021, the Company announced that it had executed an Implementation Deed between its wholly owned subsidiary, Auctus Asset Management Pty Ltd (AAM) and Lux Group Limited (Lux) and all Lux shareholders. The Implementation Deed granted Auctus the exclusive right to establish a special purpose investment Fund (Lux Fund), which has the opportunity to acquire a meaningful minority interest in Lux and to invest primary capital in Lux via a Convertible Note. The Company recently announced that it had been granted an extension until 17 December 2021 to finalise the raise. As announced last week, the Company had raised approximately \$45 million for the Lux Fund and is continuing to progress the capital raising over the coming 2 to 4 weeks with a view to closing out the full proposed raising amount of A\$90 million (excluding fees).

As noted in previous presentations, the key determinant of our future revenue improvement is growth in assets under management (AUM). Since June 2020, the Company increased its AUM from A\$100 million to approximately A\$350 million as at the end of June 2021.

Finally, we continue to see strong investor demand for private market investments generally across our investor base. As Auctus continues to build its reputation in the market, we look forward to providing unique investment opportunities that become a core component of many investor portfolios while equally focussing on overall shareholder returns.

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