

1. Company details

Name of entity:	Auctus Investment Group Limited
ABN:	76 149 278 759
Reporting period:	For the half-year ended 31 December 2021
Previous period:	For the half-year ended 31 December 2020

2. Results for announcement to the market

			\$
Revenues from ordinary activities	up	993.7% to	6,535,615
Loss from ordinary activities after tax attributable to the owners of Auctus Investment Group Limited	up	3.6% to	(2,561,262)
Loss for the half-year attributable to the owners of Auctus Investment Group Limited	up	3.6% to	(2,561,262)

Dividends

There were no dividends paid, recommended or declared during the current financial period.

Comments

The loss for the consolidated entity after providing for income tax amounted to \$2,561,262 (31 December 2020: \$2,471,492).

Financial performance

During the half-year period, the Company continued to grow Assets Under Management (AUM) through its focus to set up new investment funds and capital raisings for current funds. The Company completed the set up of a new fund "Luxury Escapes Fund" and successfully raised in excess of A\$70M.

Revenue from ordinary activities increased from the previous period by \$5,938,035 to \$6,535,615 (2020: \$597,580) with the majority of revenue being attributable to the growth in AUM. This growth has also resulted in the Company's annual recurring revenue increasing during the period following the successful launch of new funds. During the half year period \$768,627 has been recorded in revenue relating to accrued performance fees. The performance fees receivable have been accounted for following review of the unit prices in relevant funds and the increase in those values since inception multiplied by the Company's fees receivable in relation to those increases at the end of the fund life.

A non-cash share based payment expense amounting to \$5,920,943 (31 December 2020: \$1,013,878) was accounted for during the half-year period the majority of which represented the share based payment amount relating to the issue of options to Directors and employees.

Excluding the non-cash share based payments amount from the current loss the resulting profit for the Company would be \$3,359,681.

The majority of other expenditure has remained consistent with previous financial years.

Financial position

During the half-year period, the Company's net asset position increased by \$9,948,912 to \$35,260,107 (30 June 2021: \$25,311,195). The working capital balance of the Company also increased by \$3,629,148 to \$20,755,721 (30 June 2021: \$17,126,573).

The cash balance as at 31 December 2021 was \$13,478,456 (30 June 2021: \$14,537,691).

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	42.51	32.92

4. Control gained over entities

Not applicable.

5. Loss of control over entities

Not applicable.

6. Dividends

Current period

There were no dividends paid, recommended or declared during the current financial period.

Previous period

There were no dividends paid, recommended or declared during the previous financial period.

7. Dividend reinvestment plans

Not applicable.

8. Details of associates and joint venture entities

Name of associate / joint venture	Reporting entity's percentage holding		Contribution to profit/(loss) (where material)	
	Reporting period %	Previous period %	Reporting period \$	Previous period \$
RBP Partners LLC	30.00%	30.00%	-	-
Gophr Limited	20.88%	20.88%	(67,995)	55,744
Impact Investment Partners Pty Ltd	24.00%	-	(122,521)	-
Odyssey Group Limited	9.90%	-	(1,343)	-
US Opportunities Limited	9.61%	-	415,872	-
<i>Group's aggregate share of associates and joint venture entities' profit/(loss) (where material)</i>				
Profit/(loss) from ordinary activities before income tax			224,013	55,744
Income tax on operating activities			-	-

9. Foreign entities

Details of origin of accounting standards used in compiling the report:

Not applicable.

10. Audit qualification or review

Details of audit/review dispute or qualification (if any):

The financial statements were subject to a review by the auditors and the review report is attached as part of the Interim Report.

11. Attachments

Details of attachments (if any):

The Interim Report of Auctus Investment Group Limited for the half-year ended 31 December 2021 is attached.

12. Signed

Signed 

Date: 28 February 2022

Christine Christian
Non-executive Chair
Melbourne

Auctus Investment Group Limited

ABN 76 149 278 759

Interim Report - 31 December 2021

Directors	Christine Christian (Non-executive Chair) Campbell McComb (Managing Director) Brad Harrison (Non-executive Director) Brian Delaney (Non-executive Director)
Company secretary	Justin Mouchacca
Registered office	Level 7, 90 Collins Street Melbourne VIC 3000 Phone: +61 3 9088 8670
Share register	Computershare Investor Services Pty Limited Yarra Falls 45 Johnson Street Abbotsford VIC 3067 Telephone: 1300 850 505 (investors within Australia)
Auditor	Pitcher Partners Level 13, 664 Collins Street Melbourne, Victoria, 3000 Telephone: +61 3 8610 5000
Stock exchange listing	Auctus Investment Group Limited shares are listed on the Australian Securities Exchange (ASX code: AVC)
Website	www.auctusinvest.com

Auctus Investment Group Limited
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31 December 2021



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The directors present their report, together with the Condensed Financial Report of the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Auctus Investment Group Limited (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the half-year ended 31 December 2021 and the independent review report thereon.

Directors

The following persons were directors of Auctus Investment Group Limited during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Ms Christine Christian (Non-executive Chair)
Mr Campbell McComb (Managing Director)
Mr Michael Hynes (Executive Director) (resigned 1 November 2021)
Mr Brad Harrison (Non-executive Director)
Mr Brian Delaney (Non-executive Director) (appointed 1 November 2021)

Principal activities

Auctus Investment Group Limited is a global investment manager focusing on opportunities across private equity, infrastructure and private real estate. Its core investment thesis is investing in sectors with attractive thematic, strong tailwinds and potential to scale. The Company provides access to these private market opportunities via investment funds for high net worth, family office and wholesale investors.

Review of operations

The loss for the consolidated entity after providing for income tax amounted to \$2,561,262 (31 December 2020: \$2,471,492).

Financial performance

During the half-year period, the Company continued to grow Assets Under Management (AUM) through its focus to set up new investment funds and capital raisings for current funds. The Company completed the set up of a new fund "Luxury Escapes Fund" and successfully raised in excess of A\$70M.

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Excluding the non-cash share based payments amount from the current loss the resulting profit for the Company would be \$3,359,681.

The majority of other expenditure has remained consistent with previous financial years.

Financial position

During the half-year period, the Company's net asset position increased by \$9,948,912 to \$35,260,107 (30 June 2021: \$25,311,195). The working capital balance of the Company also increased by \$3,629,148 to \$20,755,721 (30 June 2021: \$17,126,573).

The cash balance as at 31 December 2021 was \$13,478,456 (30 June 2021: \$14,537,691).

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the consolidated entity during the financial half-year, other than noted below:

- On 27 July 2021 the consolidated entity issued 400,000 fully paid ordinary shares following conversion of 400,000 unlisted performance rights triggered by satisfaction of performance obligations.
- On 17 August 2021 the Company announced that it had completed a Share Swap with shareholders of Impact Investment Partners Pty Ltd (IIP) to acquire a further 10% interest in IIP. The Company issued a total of 1,415,071 fully paid ordinary shares with an issue price of \$1.06 per share and placed into a voluntary escrow for a period of 6 months from the issue.
- During the half-year period, the Company issued a total of 5,782,779 fully paid ordinary shares following the exercise of 5,782,779 unlisted options with various exercise prices, raising \$5,007,779 before costs.

Matters subsequent to the end of the financial half-year

No matter or circumstance has arisen since 31 December 2021 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Dividends

There were no dividends paid, recommended or declared during the current or previous financial half-year.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the directors



Christine Christian
Non-executive Chair

28 February 2022
Melbourne

AUCTUS INVESTMENT GROUP LIMITED

ABN 76 149 278 759



**AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF AUCTUS INVESTMENT GROUP LIMITED**

In relation to the independent auditor's review for the half-year ended 31 December 2021, to the best of my knowledge and belief there have been:

- (i) no contraventions of the auditor independence requirements of the *Corporations Act 2001*; and
- (ii) no contraventions of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)*.

This declaration is in respect of Auctus Investment Group Limited and the entities it controlled during the period.

A handwritten signature in black ink, appearing to be 'N R Bull'.

N R BULL
Partner

28th February 2022

A handwritten signature in black ink, appearing to be 'Pitcher Partners'.

PITCHER PARTNERS
Melbourne

Auctus Investment Group Limited
Statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2021



		Consolidated	
		31 December 2021	31 December 2020
	Note	\$	\$
Revenue	5	6,535,615	597,580
Share of profits of associates accounted for using the equity method	8	224,013	55,744
Other income	6	235,806	367,347
Unrealised loss on investments		(12,005)	(83,406)
Expenses			
Cost of sales		(1,468,736)	(231,797)
Business development		(96,061)	(24,322)
Compliance costs		(192,110)	(242,256)
Computers and communication		(33,194)	(8,640)
Depreciation and amortisation		(81,407)	(62,744)
Employee benefits expenses		(1,656,901)	(1,307,640)
Finance costs		(241)	(151)
Professional fees		(93,524)	(118,857)
Share based payments expense	14	(5,920,943)	(1,013,878)
Other expenses		(1,574)	(34,948)
Impairment expense		-	(363,524)
Loss before income tax expense		(2,561,262)	(2,471,492)
Income tax expense		-	-
Loss after income tax expense for the half-year attributable to the owners of Auctus Investment Group Limited		(2,561,262)	(2,471,492)
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		119,733	120,542
Other comprehensive income for the half-year, net of tax		119,733	120,542
Total comprehensive income for the half-year attributable to the owners of Auctus Investment Group Limited		<u>(2,441,529)</u>	<u>(2,350,950)</u>
		Cents	Cents
Basic earnings per share	13	(3.45)	(4.47)
Diluted earnings per share	13	(3.45)	(4.47)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Auctus Investment Group Limited
Statement of financial position
As at 31 December 2021



		Consolidated	
		31 December	
	Note	2021	30 June 2021
		\$	\$
Assets			
Current assets			
Cash and cash equivalents		13,478,456	14,537,691
Trade and other receivables		5,101,660	4,049,521
Financial assets	7	4,455,468	-
Other		232,698	116,822
Total current assets		<u>23,268,282</u>	<u>18,704,034</u>
Non-current assets			
Investments accounted for using the equity method	8	9,228,091	2,045,003
Financial assets	9	3,501,983	4,246,008
Property, plant and equipment		15,503	18,908
Right-of-use assets		1,398	42,810
Intangibles		1,878,242	1,915,120
Total non-current assets		<u>14,625,217</u>	<u>8,267,849</u>
Total assets		<u>37,893,499</u>	<u>26,971,883</u>
Liabilities			
Current liabilities			
Trade and other payables		1,909,121	1,141,223
Employee benefits		603,440	403,314
Other		-	32,924
Total current liabilities		<u>2,512,561</u>	<u>1,577,461</u>
Non-current liabilities			
Employee benefits		120,831	83,227
Total non-current liabilities		<u>120,831</u>	<u>83,227</u>
Total liabilities		<u>2,633,392</u>	<u>1,660,688</u>
Net assets		<u>35,260,107</u>	<u>25,311,195</u>
Equity			
Issued capital	10	48,972,517	42,230,195
Reserves		7,643,621	2,628,015
Accumulated losses		(21,254,951)	(19,445,935)
Equity attributable to the owners of Auctus Investment Group Limited		35,361,187	25,412,275
Non-controlling interest		(101,080)	(101,080)
Total equity		<u>35,260,107</u>	<u>25,311,195</u>

The above statement of financial position should be read in conjunction with the accompanying notes

Auctus Investment Group Limited
Statement of changes in equity
For the half-year ended 31 December 2021



Consolidated	Issued capital \$	Foreign exchange translation reserve \$	Share based payments reserve \$	Accumulated losses \$	Non-controlling interest \$	Total equity \$
Balance at 1 July 2020	26,592,613	(503,335)	2,745,705	(21,231,526)	(101,080)	7,502,377
Loss after income tax expense for the half-year	-	-	-	(2,471,492)	-	(2,471,492)
Other comprehensive income for the half-year, net of tax	-	120,542	-	-	-	120,542
Total comprehensive income for the half-year	-	120,542	-	(2,471,492)	-	(2,350,950)
<i>Transactions with owners in their capacity as owners:</i>						
Contributions of equity, net of transaction costs	4,591,567	-	-	-	-	4,591,567
Share-based payments (note 14)	-	-	1,013,878	-	-	1,013,878
Transfer of performance rights converted during the year into equity	1,088,000	-	(1,088,000)	-	-	-
Balance at 31 December 2020	<u>32,272,180</u>	<u>(382,793)</u>	<u>2,671,583</u>	<u>(23,703,018)</u>	<u>(101,080)</u>	<u>10,756,872</u>
Consolidated	Issued capital \$	Foreign exchange translation reserve \$	Share based payments reserve \$	Accumulated losses \$	Non-controlling interest \$	Total equity \$
Balance at 1 July 2021	42,230,195	(533,280)	3,161,295	(19,445,935)	(101,080)	25,311,195
Loss after income tax expense for the half-year	-	-	-	(2,561,262)	-	(2,561,262)
Other comprehensive income for the half-year, net of tax	-	119,733	-	-	-	119,733
Total comprehensive income for the half-year	-	119,733	-	(2,561,262)	-	(2,441,529)
<i>Transactions with owners in their capacity as owners:</i>						
Contributions of equity, net of transaction costs (note 10)	6,474,414	-	-	-	-	6,474,414
Share-based payments (note 14)	-	(4,916)	5,920,943	-	-	5,916,027
Transfer of performance rights converted during the year into equity	267,908	-	(267,908)	-	-	-
Expiry of options	-	-	(752,246)	752,246	-	-
Balance at 31 December 2021	<u>48,972,517</u>	<u>(418,463)</u>	<u>8,062,084</u>	<u>(21,254,951)</u>	<u>(101,080)</u>	<u>35,260,107</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes

Auctus Investment Group Limited
Statement of cash flows
For the half-year ended 31 December 2021



	Consolidated	
	31 December 2021	31 December 2020
Note	\$	\$
Cash flows from operating activities		
Receipts from customers (inclusive of GST)	4,675,795	432,414
Payments to suppliers and employees (inclusive of GST)	(2,700,037)	(2,169,099)
Interest received	27,677	218,268
Interest and other finance costs paid	-	(3,932)
Government grants received	-	140,923
Net cash from/(used in) operating activities	<u>2,003,435</u>	<u>(1,381,426)</u>
Cash flows from investing activities		
Payments for investments	(4,409,100)	(133,708)
Payments for property, plant and equipment	-	(1,439)
Loans provided	<u>(3,715,000)</u>	<u>(728,544)</u>
Net cash used in investing activities	<u>(8,124,100)</u>	<u>(863,691)</u>
Cash flows from financing activities		
Proceeds from issue of shares	10 5,007,779	4,657,000
Share issue transaction costs	10 (33,340)	(65,433)
Repayment of lease liabilities	<u>(32,924)</u>	<u>(34,116)</u>
Net cash from financing activities	<u>4,941,515</u>	<u>4,557,451</u>
Net increase/(decrease) in cash and cash equivalents	(1,179,150)	2,312,334
Cash and cash equivalents at the beginning of the financial half-year	14,537,873	1,819,155
Effects of exchange rate changes on cash and cash equivalents	<u>119,733</u>	<u>-</u>
Cash and cash equivalents at the end of the financial half-year	<u><u>13,478,456</u></u>	<u><u>4,131,489</u></u>

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. General information

The financial statements cover Auctus Investment Group Limited as a consolidated entity consisting of Auctus Investment Group Limited and the entities it controlled at the end of, or during, the half-year. The financial statements are presented in Australian dollars, which is Auctus Investment Group Limited's functional and presentation currency.

Auctus Investment Group Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business are:

Level 7, 90 Collins Street
Melbourne VIC 3000

A description of the nature of the consolidated entity's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 28 February 2022.

Note 2. Significant accounting policies

These general purpose financial statements for the interim half-year reporting period ended 31 December 2021 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2021 and any public announcements made by the company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Note 3. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Share-based payment transactions

The consolidated entity measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

Note 3. Critical accounting judgements, estimates and assumptions (continued)

Fair value measurement hierarchy

The consolidated entity is required to classify all assets and liabilities, measured at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being: Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date; Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and Level 3: Unobservable inputs for the asset or liability. Considerable judgement is required to determine what is significant to fair value and therefore which category the asset or liability is placed in can be subjective.

Goodwill and other indefinite life intangible assets

The consolidated entity tests annually, or more frequently if events or changes in circumstances indicate impairment, whether goodwill and other indefinite life intangible assets have suffered any impairment, in accordance with its accounting policy. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of assumptions, including estimated discount rates based on the current cost of capital and growth rates of the estimated future cash flows.

Income tax

The consolidated entity is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The consolidated entity recognises liabilities for anticipated tax audit issues based on the consolidated entity's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

Note 4. Operating segments

Identification of reportable operating segments

AASB 8 requires operating segments to be identified on the basis of internal reports about the components of the consolidated entity that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance. The board reviews the Company as a whole in the business segment of asset management within Australia for the current and comparative periods.

Note 5. Revenue

	Consolidated	
	31 December 2021	31 December 2020
	\$	\$
Capital raising and management fees	5,026,906	597,580
Performance fees	768,627	-
Financial asset income	740,082	-
Revenue	<u>6,535,615</u>	<u>597,580</u>

Note 6. Other income

	Consolidated	
	31 December 2021	31 December 2020
	\$	\$
Interest revenue	174,449	218,268
Realised foreign exchange gain / (loss)	61,357	8,156
Government grants	-	140,923
	<u>235,806</u>	<u>367,347</u>

Note 7. Current assets - Financial assets

	Consolidated	
	31 December	30 June 2021
	2021	2021
	\$	\$
Loans receivable	4,455,468	-

Loans receivable consists of loans provided by the Company to other entities.

During the half-year period, the Company provided a loan to esVolta amounting to US\$2.5 million. The loan is repayable with a 30% fixed interest payment and repayable on or before 31 March 2022.

During the half-year period, the Company provided a loan to Odyssey Group Limited amounting to US\$200k. The loan is repayable within 12 months from the issue date.

Note 8. Non-current assets - investments accounted for using the equity method

	Consolidated	
	31 December	30 June 2021
	2021	2021
	\$	\$
Investment in Gophr	1,078,936	1,146,931
Investment in RBP Partners	253,860	253,860
Investment in Odyssey Group Limited	642,869	644,212
Investment in Impact Investment Partners	3,477,454	-
Investment in US Opportunities Limited	3,774,972	-
	<u>9,228,091</u>	<u>2,045,003</u>

Investments in associates includes the following investments held by the Company:

- Investment in Gophr consists of a 20.88% equity interest in Gophr Ltd, a company incorporated in the UK;
- Investment in RBP Partners consists of a 30.0% equity interest in RBP Partners LLC, a company incorporated in the USA;
- Investment in Odyssey Group Limited consists of a 9.9% equity interest in Odyssey Group Limited, an entity incorporated in Hong Kong;
- Investment in Impact Investment Partners Pty Ltd consists of a 24% equity interest in Impact Investment Partners Pty Ltd, an entity incorporated in Australia; and
- Investment in US Opportunities Limited consists of a 9.61% equity interest in US Opportunities Limited, an entity incorporated in Australia.

All investments are accounted for using equity accounting as the consolidated entity has significant influence over this entity. There were no commitments or contingent liabilities in relation to the entities at the end of the reporting period. A reconciliation of the carrying value of the investments in associates is included below:

	Consolidated	
	31 December	30 June 2021
	2021	2021
	\$	\$
Gophr - reconciliation to carrying amount:		
Opening carrying value	1,146,931	1,121,464
Share of profit / (loss) for the period	(67,995)	25,467
Closing carrying value	<u>1,078,936</u>	<u>1,146,931</u>

Note 8. Non-current assets - investments accounted for using the equity method (continued)

	Consolidated	
	31 December	30 June 2021
	2021	
RBP Partners - reconciliation to carrying amount:		
Opening carrying amount of investment	253,860	253,860
Share of profit / (loss) for the period	-	-
Closing carrying amount	<u>253,860</u>	<u>253,860</u>
	Consolidated	
	31 December	30 June 2021
	2021	
	\$	\$
Odyssey Group Limited - reconciliation to carrying amount:		
Opening carrying amount	644,212	-
Odyssey - initial investment	-	642,824
Share of profit / (loss) for the period	(1,343)	1,388
Closing carrying amount	<u>642,869</u>	<u>644,212</u>
	Consolidated	
	31 December	30 June 2021
	2021	
Impact Investment Partners - reconciliation to carrying amount:		
Impact Investment Partners - transfer from investments	1,050,000	-
Additions during the period	2,549,975	-
Share of profit / (loss) for the period	(122,521)	-
Closing carrying amount	<u>3,477,454</u>	<u>-</u>
	Consolidated	
	31 December	30 June 2021
	2021	
	\$	\$
US Opportunities Limited - reconciliation to carrying amount		
US Opportunities - initial investment	3,359,100	-
Share of profit / (loss) for the period	415,872	-
Closing carrying amount	<u>3,774,972</u>	<u>-</u>

Note 9. Non-current assets - financial assets

	Consolidated	
	31 December	30 June 2021
	2021	2021
	\$	\$
Vendor loan receivable - amortised cost	2,046,337	1,880,552
Managed investments - fair value through profit or loss	684,190	1,648,695
Loans receivable - RBP Partners	771,456	716,761
	<u>3,501,983</u>	<u>4,246,008</u>

Vendor loan receivable

The vendor loan is interest free and secured by a first ranking charge over the shares the subject of the sale. The vendor loans were provided to Directors of Gophr Limited ('Gophr') and are repayable upon the earlier of an "Exit Event" or "Cash Event" which, in summary, are triggered upon the sale or transfer of the purchaser's Gophr shares (in which case the repayment obligation is several and proportionate to the number of shares sold), a listing of Gophr on a stock exchange, a change in control of Gophr (subject to certain exceptions) or satisfaction of certain capital raising milestones.

The vendor loans are also repayable (or relevant shares must be surrendered) within 180 days of the occurrence of a "Leaver Event" being, in summary, the director ceasing to be an employee of Gophr. The vendor loans convert on the same terms as the convertible note below. The vendor loan has been discounted to present value using incremental borrowing rate of 12.35%, the difference representing deferred revenue to be recognised over the term of the vendor loan.

Managed investments

During the half year period, the carrying value of managed investments was adjusted for fair value adjustments on investments and a reduction of \$1,050,000 for the carrying value of the consolidated entity's initial investment in Impact Investments Partners Pty Ltd, which was transferred to investments accounted for using the equity method.

Loans receivable - RBP Partners

During the previous financial year, the Company provided a loan to RBP Partners amounting to USD \$500,000. The loan is repayable 5 years from the issue date, being 30 June 2025, and accrues 8% interest per annum.

Note 10. Equity - issued capital

	Consolidated			
	31 December	30 June 2021	31 December	30 June 2021
	2021	2021	2021	2021
	Shares	Shares	\$	\$
Ordinary shares - fully paid	<u>78,531,741</u>	<u>70,933,891</u>	<u>48,972,517</u>	<u>42,230,195</u>

Note 10. Equity - issued capital (continued)

Movements in ordinary share capital

Details	Date	Shares	Issue price	\$
Balance	1 July 2021	70,933,891		42,230,195
Conversion of performance rights	27 July 2021	400,000	-	62,900
Issue of shares for acquisition of interest in Impact Investment Partners	17 August 2021	1,415,071	\$1.06	1,499,975
Exercise of unlisted options	17 August 2021	1,150,000	\$0.60	690,000
Exercise of unlisted options	17 September 2021	27,800	\$1.00	27,800
Exercise of unlisted options	6 October 2021	75,000	\$1.00	75,000
Exercise of unlisted options	29 October 2021	1,086,779	\$1.00	1,086,779
Exercise of unlisted options	23 November 2021	275,000	\$0.60	165,000
Exercise of unlisted options	23 November 2021	2,143,200	\$1.00	2,143,200
Exercise of unlisted options	7 December 2021	25,000	\$1.20	30,000
Exercise of unlisted options	7 December 2021	225,000	\$1.00	225,000
Exercise of unlisted options	7 December 2021	525,000	\$0.60	315,000
Exercise of unlisted options	16 December 2021	250,000	\$1.00	250,000
Transfer from options reserve		-	-	205,008
Transaction costs relating to share issues		-	-	(33,340)
Balance	31 December 2021	<u>78,531,741</u>		<u>48,972,517</u>

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Share buy-back

There is no current on-market share buy-back.

Note 11. Commitments

The Group has no material commitments as at 31 December 2021 (31 December 2020: nil).

Note 12. Events after the reporting period

No matter or circumstance has arisen since 31 December 2021 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Note 13. Earnings per share

	Consolidated	Consolidated
	31 December 2021	31 December 2020
	\$	\$
Loss after income tax attributable to the owners of Auctus Investment Group Limited	<u>(2,561,262)</u>	<u>(2,471,492)</u>

Note 13. Earnings per share (continued)

	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	74,232,947	55,347,090
Weighted average number of ordinary shares used in calculating diluted earnings per share	74,232,947	55,347,090
	Cents	Cents
Basic earnings per share	(3.45)	(4.47)
Diluted earnings per share	(3.45)	(4.47)

As at 31 December 2021, the Group had 8,300,000 unissued shares under options that were out of the money which are anti-dilutive (31 December 2020: 17,942,607 options, 400,000 performance shares).

Note 14. Share-based payments

	Consolidated 31 December 2021 \$	31 December 2020 \$
Share-based payment expense	5,920,943	1,013,878

Unlisted options

During the half year period, the Company issued the following unlisted options:

- 7,650,000 unlisted options exercisable at \$1.70 per option on or before 17 August 2025 to employees of the Company;
- 650,000 unlisted options exercisable at \$1.70 per option on or before 1 November 2024 to a Director of the Company; and
- 1,250,000 unlisted options exercisable at \$1.75 per option on or before 19 November 2024 to a consultant of the Company.

A total share based payment expense amounting to \$5,920,943 has been recorded relating to the issue of these options during the period. All options issued during the period vested upon issue and the share based payment expenses have been accounted for in full during this half year period.

For the options granted during the current financial half-year, the valuation model inputs used to determine the fair value at the grant date, are as follows:

Grant date	Expiry date	Number of options	Share price at grant date	Exercise price	Expected volatility	Dividend yield	Risk-free interest rate	Fair value at grant date
17/08/2021	17/08/2025	4,650,000	\$1.12	\$1.70	85.00%	-	0.12%	\$0.58354
01/11/2021	01/11/2024	650,000	\$1.20	\$1.70	85.00%	-	0.62%	\$0.55398
19/11/2021	19/11/2024	1,250,000	\$1.30	\$1.75	83.29%	-	0.54%	\$0.60166
24/11/2021	17/08/2025	3,000,000	\$1.32	\$1.70	83.29%	-	0.54%	\$0.69844

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2021 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the directors



Christine Christian
Non-executive Chair

28 February 2022
Melbourne

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF AUCTUS INVESTMENT GROUP LIMITED**

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Auctus Investment Group Limited, "the Company" and its controlled entities "the Group", which comprises the consolidated statement of financial position as at 31 December 2021, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Auctus Investment Group Limited does not comply with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Auctus Investment Group Limited financial position as at 31 December 2021 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's review report.

Responsibility of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF AUCTUS INVESTMENT GROUP LIMITED**

Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2021 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



N R BULL
Partner



PITCHER PARTNERS
Melbourne

28th February 2022