

AUCTUS
ALTERNATIVE
INVESTMENTS



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Alternative Investments

Half Year ended December 2019



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AVC

AUCTUS ALTERNATIVE INVESTMENTS

Auctus Alternative Investments Limited (ASX: AVC) is an ASX listed global alternatives investment manager focusing on opportunities across private equity, infrastructure and private real estate in growth sectors with strong tailwinds and significant potential to scale.

AVC provides access to these private market investments for wholesale, family office and sophisticated investors.

Why Auctus?

- We have access to unique investment opportunities via our proprietary networks and joint venture partners
- We focus on essentials: what people need (healthcare, education, energy solutions, real estate)
- We focus on delivering excess returns and portfolio diversification

What do we deliver?

- Investments where Auctus and co-investors can deploy between \$5M - \$50M
- Private mid-market investment opportunities with strong management, a proven product, strong customer and revenue streams



AVC

RESULTS HIGHLIGHTS 1H20

Income Statement

- Over A\$1M in revenue generated during the half (All operating revenue generated in USD)
- Approximately 15% of revenue generated is recurring – focus on increasing this over coming periods via increasing AUM
- Total expenses, excluding non-cash share-based payments and depreciation, decreased to \$1.2M from \$1.6M
- Losses reduced by 35% (EPS 1H20 -3c vs 1H19 -7c)

Financial Position

- Balance Sheet tidied up, working capital position of \$0.7M at 1H20, increased from June 2019 by \$1M
- Net Assets of \$6.7M (NTA \$5M)
- Looking to realise some of the investments for cash in 2H20

CORPORATE STRUCTURE

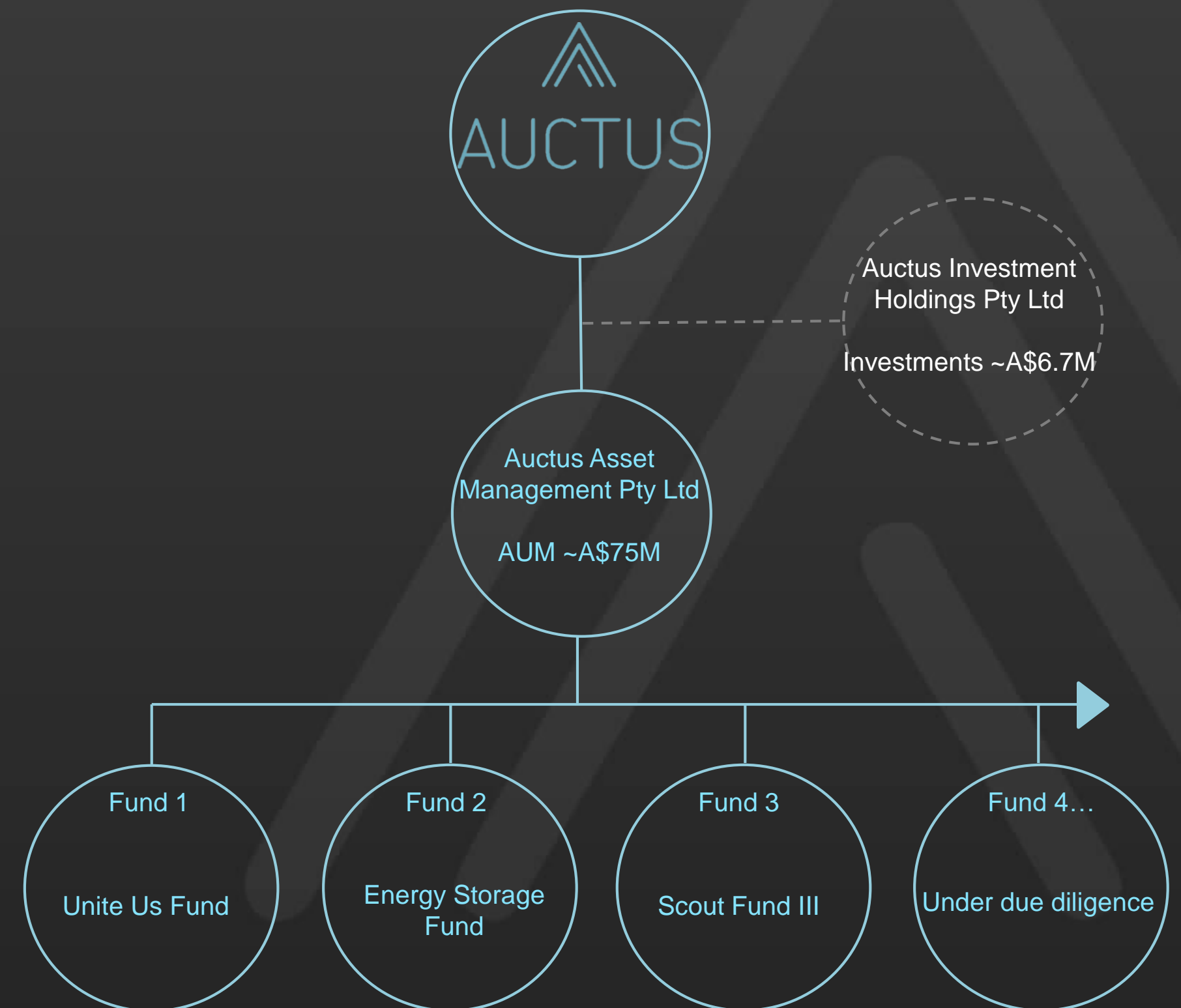
Auctus Asset Management Pty Ltd:

Generates revenue for AVC via ongoing management, transaction and performance fees on investments. These fees are charged as a percentage of the of total raised for each investment. Our goal is to deliver strong performance for our fund investors and consequently deliver strong shareholder returns over time.

Growth in Assets Under Management (“AUM”) will deliver growth in revenue for AVC.

Auctus Investment Holdings Pty Ltd:

- Holds balance sheet investments in growth assets on behalf of AVC
- Current investments of ~\$6.7M
- These assets do not generate management, transaction or performance fees
- It is anticipated that some of these investments will be converted to cash over the next 6-12 months





OUR TIMELINE

MAR 2018



**ACQUISITION OF
AUCTUS ASSET
MANAGEMENT**

AVC acquires Auctus Asset Management (formerly High Line Alternative Investments)

JUN 2018



**BEGIN
RESTRUCTURE**

AVC begins restructuring legacy holdings and establishing/refining investment thesis/criteria

OCT 2018



**SCOUT VENTURES
LLC AGREEMENT**

AVC signs binding agreement with Scout Ventures LLC, a US based early stage venture capital investment firm

DEC 2018



**CORE TEAM
ESTABLISHED**

AVC grows team to 5 industry specialists with experience across investment, capital markets, distribution and operations

MAY 2019



**FIRST INVESTMENT
FUND**

Unite Us SPV was launched and closed. The fund was oversubscribed, closing at US\$4.8M

**FINALISED MBO OF
GOPHR**

AVC agrees to sell down partial holding of Gophr to its management. Result is a strengthened balance sheet



OUR TIMELINE cont..

AUG 2019



ESTABLISHED US ASSET MANAGEMENT BUSINESS

AVC secures a 30% equity stake in RBP Partners LLC. RBP has significant experience investing in North American energy infrastructure and speciality operating real estate platforms

LAUNCHED SECOND INVESTMENT FUND

Energy Storage Fund SPV was launched. The SPV is raising up to US\$30M to fund next stage of expansion

NOV 2019



LAUNCHED THIRD INVESTMENT FUND

Scout Ventures Fund III. US\$10M raise to invest in early stage VC opportunities across several sectors with a focus on frontier technology (AI, cybersecurity)

FEB 2019



ENHANCED CAPITAL RAISING CAPABILITIES

AVC team expands to 6 with the addition of a senior capital markets executive to help scale AUM

Q2 2020



FOURTH INVESTMENT FUND

Under due diligence

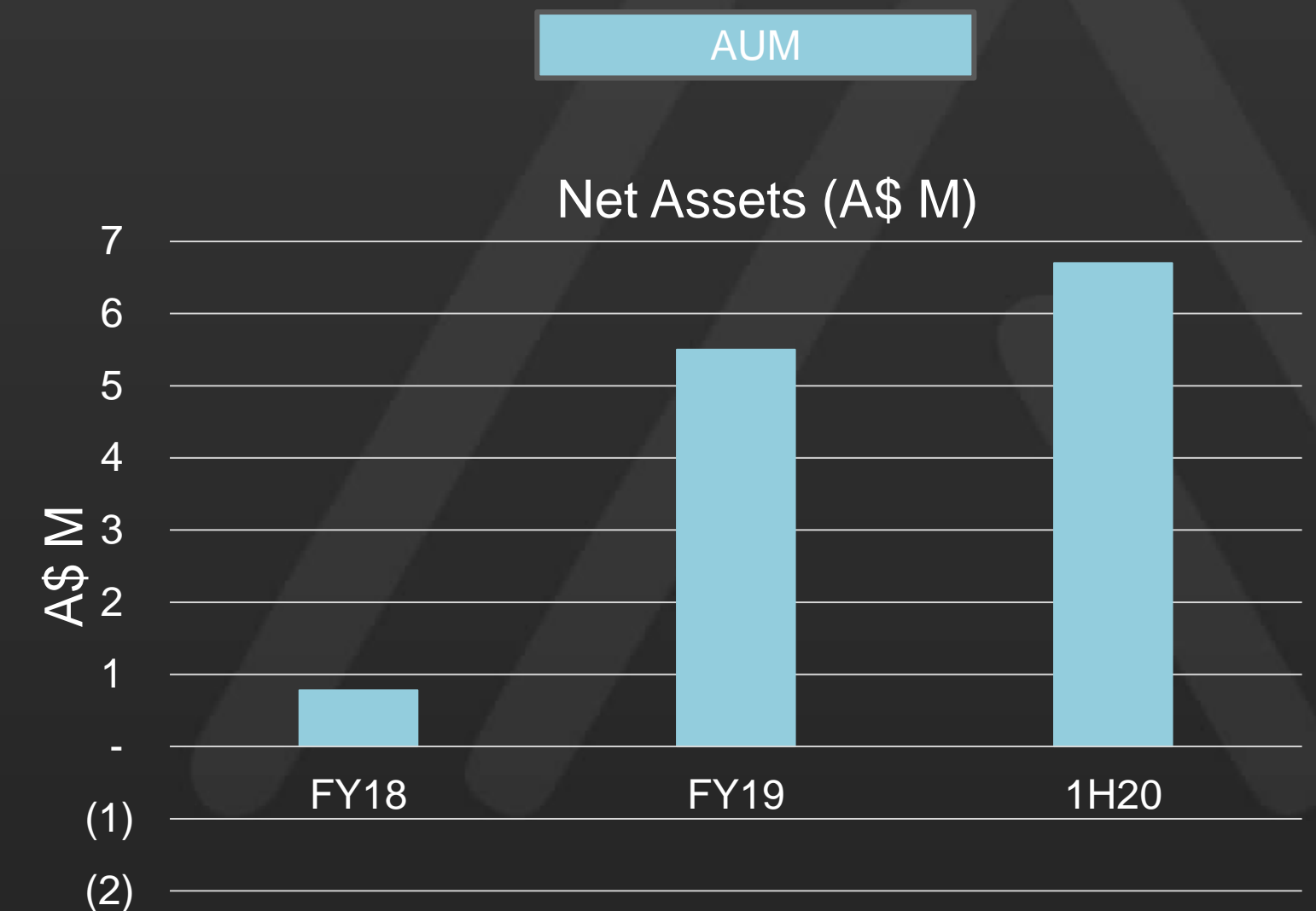
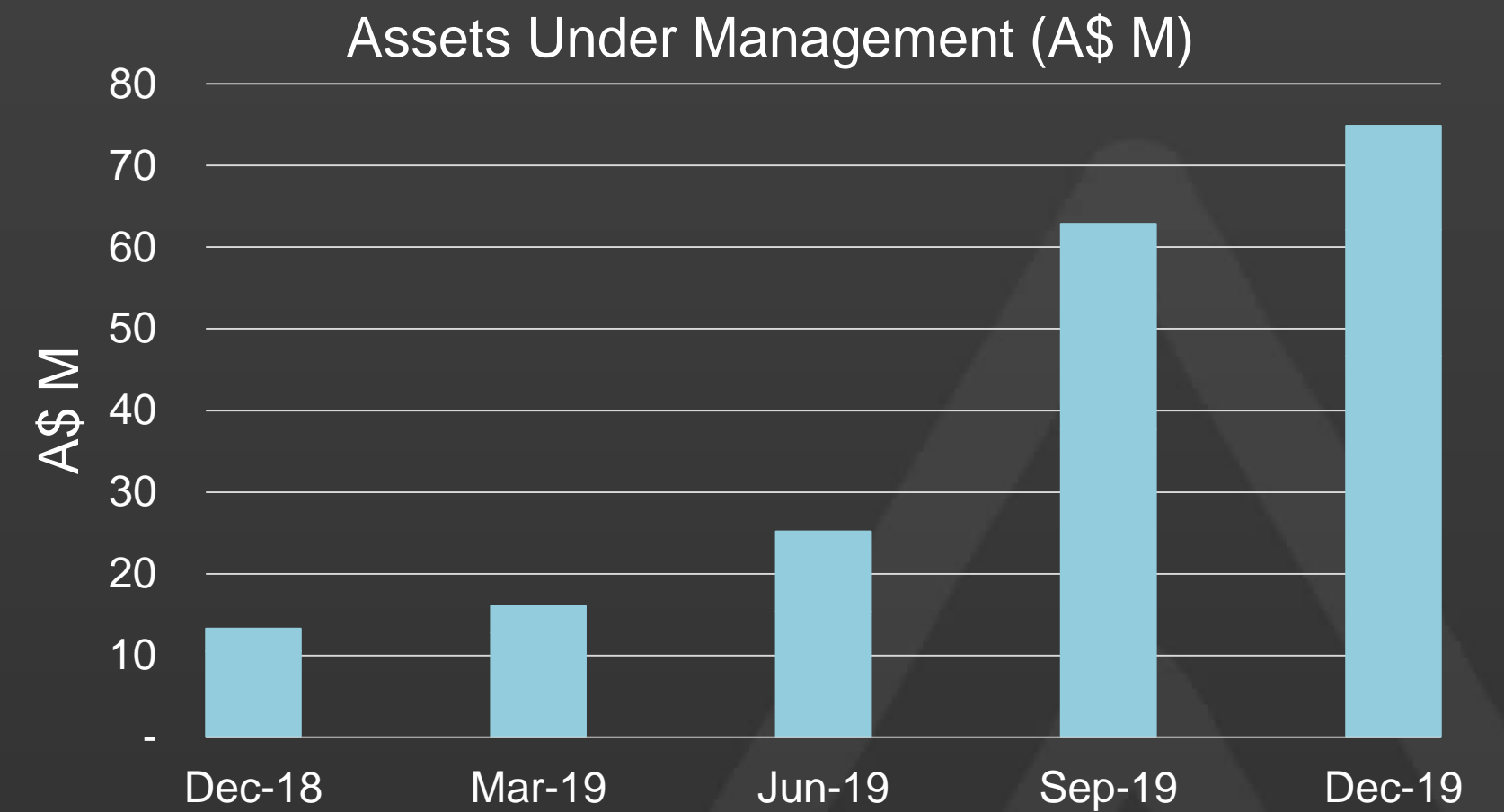
OUR PROGRESS

Assets Under Management “AUM”:

- During 2019, Auctus has invested for the future by adding experienced investment and distribution capabilities to assist growth in AUM
- Auctus has grown from \$15M to \$75M in AUM in 9 months
- Ongoing management fees and one-off transaction fees have been generated with the potential for performance fees once the asset is sold

Net Assets:

- Auctus continues to strengthen its balance sheet position
- Currently a combination of cash and investments including Gophr (recently restructured as previously announced), Storr, Mobilicom (ASX: MOB) and other fund investments



Net Assets



Unite Us Fund



Executive Summary:

- Unite Us is a technology platform that enables real-time co-ordination between health care and community services
- The software platform initially carved out its niche in the veteran/military community, but has expanded quickly to serve all at-risk populations in need of social services
- The US Government passing the **Health Care Reform Act** required the health system, including hospitals, payers and insurers to start reporting certain data to allow patients to get their 'Medicaid' and 'Medicare' reimbursements
- This became known as the **Social Determinants of Health ("SDOH")** – essentially tracking patient outcomes

Financial and Strategic Partnerships:

- In May 2019, Unite Us completed a US\$35M series B raise led by premier venture growth-equity fund Oak HC/FT ("Oak")
- Other majors investing alongside Oak included CVS/Aetna (who recently signed on as a customer of Unite Us), California Healthcare Foundation, and Dignity Health (already a customer of Unite Us)
- Signed 5-year contract with Kaiser Permanente
- Grown Unite Us team to over 100 members as at the end of August 2019



Energy Storage Fund



Executive Summary:

esVolta is a leading energy storage company focused on development and acquisition of large-scale projects for utility customers in North America. The business continues to track ahead of investment case having grown significantly since establishment in December 2017:

- 522 MWh of contracted projects across California and Ontario of which 50 MWh is already operational
- A team of seven senior energy professionals with a combined 100 years' experience across the entire project lifecycle including development, construction, engineering, finance and asset management
- In February 2020 esVolta, announced that it has closed a **US\$140 million senior secured credit facility** with a club of four banks to finance a portfolio of its utility-scale battery energy storage projects. We believe the transaction is the first portfolio project financing of US utility scale front of the meter storage and represents another significant milestone for esVolta

Portfolio Development:

- The contracted pipeline has grown by 450% since inception in December 2017 from 116 MWh to 522 MWh, with another 6,000 MWh of projects in active pursuit
- The business remains on track to deliver its five year management plan of 1,000 MWh
- We continue to anticipate an exit occurring in 2022-2023 in line with investment case



OUR FUTURE

Why the timing is right

Auctus:

- Continue to grow AUM through our unique access to domestic and international opportunities (grew by 400% in the last 9 months)
- We are conducting due diligence on a strong pipeline of opportunities which are expected to be launched to market during 2H 2020
 - Sectors of focus include energy and infrastructure, operating real estate and asset backed yield with a private equity focus
- Some balance sheet assets are expected to be realised over the next 6-12 months. Existing fund investments targeting a <3-year exit
 - This will provide AVC with a nimble balance sheet to take advantage of future opportunities
- Evaluate future joint-venture partners (domestically & internationally) that will deliver our investors unique opportunities