

US Opportunities Fund II

Executive Summary



US OPPORTUNITIES

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US Opportunities Fund II ('USO II') was established to invest in late-stage, growth private equity and pre-IPO opportunities across the United States of America ('US') sourced through Auctus' longstanding and trusted partnerships with Austin, TX based Scout Ventures ('Scout'), Salt Lake City, UT based Cross Creek Capital ('Cross Creek') and Austin, TX based Moonshots Capital ('Moonshots').

USO II provides non-US investors the opportunity to co-invest alongside leading US Institutions and Family Offices into unique, hard to access opportunities, particularly where access to such investments is highly competitive and constrained by tight capital windows.

Auctus' first iteration of this strategy, US Opportunities Limited ("USO I", now closed to new investment at ~A\$100M) holds follow-on investments in three of Scout's breakout portfolio companies to date: Unite Us, ID.me and Voyager Space.

The first two investments for USO II are into standout portfolio companies from Scout's III and IV Funds, for which Auctus have secured an allocation amid very strong competition from other parties including potential US strategic acquirers, and where this likely represents the last opportunity to invest prior to anticipated exits in 2-4 years.

Why US Opportunities Fund II



Private Equity Outperformance over reasonable public market benchmarks over the last five-, ten- and 20-year periods¹



The United States remains the most attractive market globally for private investors with North America the only region recording positive fundraising growth in 2022³



Attractive Risk-Return Profile of investing into late-stage growth businesses that are approaching exit or exit-ready



Track record of Investment Partners



Deep Portfolio Company Relationships via Scout, Cross Creek and Moonshots Capital offers USO II exceptional due diligence and the ability to secure allocations typically unavailable to non-US investors



Return Profile: Upon exit of each underlying investment investors will receive 100% of net proceeds

¹ McKinsey & Company: Global Private Markets Review March 21, 2023

Portfolio Investments

Auctus has undertaken extensive due diligence and invested in two initial investments with a third to be added to the portfolio in January 2025.

Snapshot

Target Fund Size
A\$200,000,000

ANTICIPATED INVESTMENT TERM
5 years

FUND MANAGER
Auctus Asset Management Pty Ltd

TRUSTEE
Equity Trustees Limited

CUSTODIAN & ADMINISTRATOR
Apex Fund Services Pty Ltd

TARGETED NET IRR
>25% p.a.²

TARGET MULTIPLE OF MONEY
3X²

APPLICATION PRICE
A\$1.00

MINIMUM INVESTMENT
A\$250,000 (or USD equivalent)

FINAL CLOSE
31 March 2025

² There is no guarantee these forecasts will be achieved. The actual returns may result in a lower return than the base case presented



De-Ice

De-Ice is an MIT spin-out that has developed a de-icing solution for the aerospace industry that uses high-frequency electric current. Their [novel technology](#) can be installed during the regular Maintenance Repair and Overhaul (MRO) process, for existing fleets, or as the aircraft is being manufactured.

After many years of progress De-Ice is in the final stages of Federal Aviation Administration (FAA) approval, anticipated in first half of 2025.

De-Ice's solution allows aircraft to de-ice themselves eliminating chemicals and the associated 30-45 minute departure delay ([please click here to view a video on how De-Ice works](#)). The Company has developed and filed utility patents on a novel way to heat materials that would otherwise be impossible to heat. They do this by increasing the effective electrical resistance of conductive materials.

De-Ice has secured their first, and anchor customer, [Air Canada and announced the partnership](#) as they came out of stealth in early 2024, with an agreement to retrofit their fleet starting with the A320 platform.

Several of the largest air carriers in the U.S. have agreed to LOIs with De-Ice because their solution is set to provide more reliability, save air carriers costly expenses associated with the current de-icing process, and is environmentally friendly (eliminating need for Glycol spray). Each LOI represents approximately US\$100M+ of recurring revenue contracts.

The next critical step for 2024 is full approval via the FAA, which requires the installation of the technology on a jet - now provided by Air Canada and their A320.

De-Ice has a very strong team and [group of advisors](#), which include the co-founder of JetBlue, the former Chairman / CEO of American Airlines, and former CEO of FedEx.

USO II has invested via an oversubscribed round that will help build out their team in order to execute against the LOI's upon final FAA approval.



EnCharge AI was founded in 2022 by Naveen Verma, a Professor of Electrical and Computer Engineering at Princeton University since 2009, noted for his pioneering research in a range of emerging technologies and systems. Naveen's breakthrough discoveries in next-generation computing have been widely recognised in industry and academia and have led to step-change increases in compute performance & efficiency.

Before co-founding EnCharge AI, Naveen spent six years leading the deep research behind EnCharge AI's core technology.

As AI demand surges, presently the only solution to address the skyrocketing processing requirements is to build massive server farms, accessed through the cloud, which have both extraordinarily high costs and power requirements. Accessing servers also adds latency and security concerns. Collectively, all these issues now threaten to put AI out of reach for many critical use cases across a wide range of industries.

Unlike the bulky and power hungry chips that currently power today's most advanced AI models, EnCharge AI's chip is small and efficient enough to allow AI to run locally and directly on any device such as a laptop, notebook or smartphone. This has never been done before.

With a core technology that is already fully developed, EnCharge AI's chips are already yielding 20X better energy efficiency, 10x better cost efficiency and 9X higher compute density than the best of today's digital processor technologies.

EnCharge AI raised a US\$45M Series A round from strategic partners including VentureTech Alliance, RTX Ventures, and ACVC Partners with participation from existing investors such as Anzu Partners, AlleyCorp, Scout VC, Silicon Catalyst Angels and S5V. The Defense Advanced Research Projects Agency (DARPA), has supported EnCharge's via an US\$18M non-dilutive grant.

EnCharge AI is working with tier one customers to put their chip directly into consumer products (i.e. consumer laptops) which has yet to be done today (see [Intel's announcement](#)).

USO II has invested via a US\$100M oversubscribed funding round expected to take EnCharge Ai through to scaled manufacturing.



New Investment



USO II will invest in ID.me in January 2025 adding a late stage / pre-IPO opportunity to the portfolio.

ID.me is the largest digital identity verification company in the United States with over 135 million users (over half of the US adult population and signing ~60,000 new users per day). ID.me aims to solve the password management problem once and for all by delivering a secure login Americans can use to easily access websites and prove identity wherever they go.

ID.me is the only digital wallet that meets federal government standards for secure login and multi-factor authentication.

The number of these users verified to the federal standards of IAL2 consumer authentication has grown to over 62 million, less than eight months after ID.me reached 50 million IAL2 users. ID.me's revenue has grown over 370% from 2020 through 2023, as superior results for customers and members are driving rapid growth and adoption.

Over 135 million users experience streamlined login and identity verification with ID.me at 19 federal agencies, 44 state government agencies, and 66 healthcare organizations. More than 600 consumer brands use ID.me to verify communities and user segments to honour service and build more authentic relationships. ID.me's technology meets the federal standards for consumer authentication set by the Commerce Department and is approved as a NIST 800-63-3 IAL2 / AAL2 credential service provider by the Kantara Initiative. ID.me is committed to "No Identity Left Behind" to enable all people to have a secure digital identity.

These numbers are powerful and mirror what VISA was like back 40-50 years ago with the "networking" effect of so many users now evident in ID.me's growth numbers. Auctus has followed management's execution of their strategy having been an investor in the business since late 2022.

Federal Agency Use Case Example:

The Internal Revenue Service (IRS) works with ID.me to provide authentication and identity verification for taxpayers and tax professionals accessing IRS applications. Proving your identity involves uploading government documents, taking a video selfie, and filling out personal information. These identity verification services are crucial for the IRS to ensure millions of taxpayers and tax professionals can securely access IRS online services.

ID.me has been working with the IRS, a US\$1BN+ contract, for over three years.

The Company is set to generate over US\$160M+ of revenue in FY24 with gross margins over 70%. ID.me anticipates being 'IPO ready' in the second half of 2025.

Current major investors:



[New investors Ribbit Capital lead secondary tender in ID.me with participation from existing investors Viking Global and Capital G](#)

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Key Investment Criteria

The Fund will be investing in late-stage and pre-IPO private market opportunities across the United States, primarily sourced from follow on rounds from standout portfolio companies seeded through Auctus' US venture partners. The companies and portfolio will have the following attributes:

Exceptional
Founders &
Management

Scalable
Value
Proposition

Attractive
Valuations

Institutional
Quality of
Share
Registry

Multiple Exit
Scenarios

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Target Fund size	A\$200,000,000
Investment Stage	Later stage & pre-IPO private equity.
Region	United States of America
Fund Investments (Access)	Primarily sourced from follow-on rounds of stand-out portfolio companies seeded by Auctus' US private equity partners: Scout Ventures, Austin TX Cross Creek, Salt Lake City UT Moonshots Capital, Austin TX
No. of Investments	Targeting 8 to 10 portfolio investments
Investment Size	Targeting US\$10-20M into each underlying investment
Duration of underlying Investments (Time to Exit)	Targeting opportunities with 2-4 years until exit via strategic acquisition or IPO

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Investment Partners

SCOUT

VENTURES

- ✓ Early-stage venture capital firm based in Austin, Texas with offices in Washington DC, and NYC
- ✓ **Track record:** 24 exits from 111 company investments across four funds.
- ✓ Cultivates advanced, dual-use (commercial and military) passive technologies built by hard-to-access founders exiting the military and intelligence communities, and premier research labs.
- ✓ Auctus has invested approximately A\$100M in Scout Ventures Funds and / or follow on transactions



CROSS CREEK

- ✓ Venture Fund of Funds and direct, late-stage growth Investor based in Salt Lake City, Utah with a 30-year track record in public and private markets.
- ✓ **Track record:** Overall 41 exits of their 100+ investments - 26 of them via IPO and 15 via public M&A, producing a gross IRR >30% with an average hold of 3 years.
- ✓ Apply Cross Creek's public market expertise to identify and make direct investments in growth companies likely to achieve market leadership and successful near-term liquidity. Focus is technology, healthcare, financial services & consumer and other dynamic sectors.
- ✓ Auctus is a Limited Partner ("LP") in Cross Creek Capital III with an aggregate commitment of US\$5M



MOONSHOTS
CAPITAL

- ✓ Seed-stage venture capital firm, based in Los Angeles, California and Austin, Texas, that invests in extraordinary leadership.
- ✓ **Track record:** Founders have invested in numerous businesses from early stage including LinkedIn, Slack, ID.me, Scopely, Pandora and Life 360
- ✓ Great leaders are hard to come by. Moonshots believe the best ones are military-trained or trial-by-fire repeat entrepreneurs who have the ability to motivate others to action, inspire trust, and plan heuristically. They invest with conviction when those attributes are present.
- ✓ Newly established relationship to source later-stage transactions for USO II



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Important Notice

Equity Trustees Limited (“Equity Trustees”) (ABN 46 004 031 298), AFSL 240975, is the Trustee for US Opportunities Fund II (“USO II” “the Fund”). Equity Trustees is a subsidiary of EQT Holdings Limited (ABN 22 607 797 615), a publicly listed company on the Australian Securities Exchange (ASX: EQT).

This document has been prepared by Auctus Asset Management Pty Ltd ABN 30 610 804 263 (“Auctus”), a corporate authorised representative of Auctus Pty Ltd, AFSL 517083. Auctus is the appointed Investment Manager of USO II and has prepared this document to provide general information only. In preparing this publication, Auctus did not take into account the investment objectives, financial situation or particular needs of any particular person. It is not intended to take the place of professional advice and you should not take action on specific issues in reliance on this information. Neither Auctus, Equity Trustees nor any of its related parties, their employees or directors, provide and warranty of accuracy or reliability in relation to such information or accepts any liability to any person who relies on it. Past performance should not be taken as an indicator of future performance. You should obtain a copy of the Fund’s Offer Document before making a decision about whether to invest in this product.