



December **2020**

# INVESTMENT SUMMARY **PREFERENCE SHARE OFFER** **PRIVATE PLACEMENT**

Issued by VentureCrowd Services  
Australia Ltd ACN 638 909 878



# EXECUTIVE SUMMARY

Purpose driven and conscious, VentureCrowd has grown to become Australia's leading digital investment platform for alternative assets, offering ordinary investors the opportunity to invest in high-growth private companies, property development projects and alternative credit. More than just equity crowdfunding, VentureCrowd comprises two comprehensive Australian Financial Services Licenses authorising the provision of a wide range of financial services, including in relation to property funds, venture capital opportunities, fixed income credit and operating a retail crowd-sourced funding intermediary.

Tapping into the rise of the millennial investor, fuelled by the largest intergenerational transfer of wealth in modern history, VentureCrowd's digital investment platform is designed for the next generation of investor while equally appealing to seasoned investors seeking a better user experience.

**In FY20, VentureCrowd generated \$6.5M in revenue and NPBT of \$215k.**

Even in the midst of a global pandemic, our members invested \$18.9M with us in FY20. This takes our portfolio size to 63 investments and our total capital raised to \$136M. Our fastest deal closed in under 18 hours and ~57% of our investors chose to invest with us more than once. The average investment size also increased in FY20 to \$59,250.

As the digitisation of investment management continues to become mainstream globally, VentureCrowd is well placed to continue to lead the market by leveraging its trusted brand, integrated proprietary technology platform and strong investment origination capability.

VentureCrowd has just released a confidential Information Memorandum in search of a long term strategic partner within the financial services sector to fast-track its domestic and global growth plans. Early interest has been received from a number of Australian and international financial services investors. Coinciding with that strategy, VentureCrowd is offering a limited volume of new Preference Shares in its corporate shared services entity, VentureCrowd Services Australia Pty Ltd.

As an integral part of the VentureCrowd Group, **VentureCrowd Services Australia Pty Ltd (VCSA)** manages the core intellectual property for the group as well the premises lease and contracts with key staff members, and generates revenue through the licensing of intellectual property and the provision of services to various group entities in return for a fee. An investment in VCSA represents an investment in the VentureCrowd Group and is contractually tied to the cash flows of the group.

This is likely to be the last time investors will have an opportunity to invest in the equity of VentureCrowd Group before a forecast liquidity event in 2-3 years time.

# OUR PURPOSE

**We're passionate about giving our community the ability to invest and shape the world in which we live.**

At VentureCrowd, our purpose is to help good businesses take on the world - we find and fund the future. A future that is good for investors, founders and humanity.

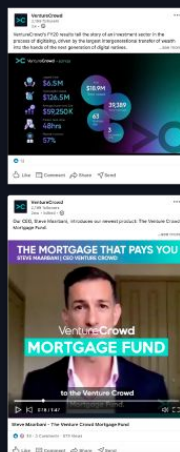
# 1. BUSINESS OVERVIEW

## 1.1 Overview

VentureCrowd is an end-to-end digital investment platform offering purpose-driven alternative assets to retail and wholesale investors.

VentureCrowd's product mix is designed to facilitate exposure to debt, equity and hybrid securities with differing risk-reward profiles in property and venture capital – previously only available to wholesale investors.

PRODUCT CATEGORY	DESCRIPTION
<b>Venture Capital</b>	Equity and convertible securities in high-growth private companies during the expansion stage through to pre-IPO, often exclusively available through VentureCrowd.
<b>Property</b>	Equity and preferred equity securities in property development projects originated and managed by VentureCrowd's in-house development management team.
<b>Funds</b>	Two open-ended diversified property funds that invest in a portfolio of property development projects and offer floating returns: <ol style="list-style-type: none"> <li>1. Development Income Fund (\$32M under management)</li> <li>2. VentureCrowd Mortgage Fund (launching Q2 2021)</li> </ol>
<b>Credit</b>	Debt securities in high-growth private companies and property development projects (including mezzanine debt) offering fixed returns generally paid monthly in arrears with 12 month maturity.



## 1.2 FY20 Results



Largest Deal

**\$6.5M**



Total capital raised

**\$136M**



Average Investment Size

**\$59,250**



Fastest deal close

**18hrs**



Repeat Investors

**57%**

**\$18.9M**

Total raised  
in FY20

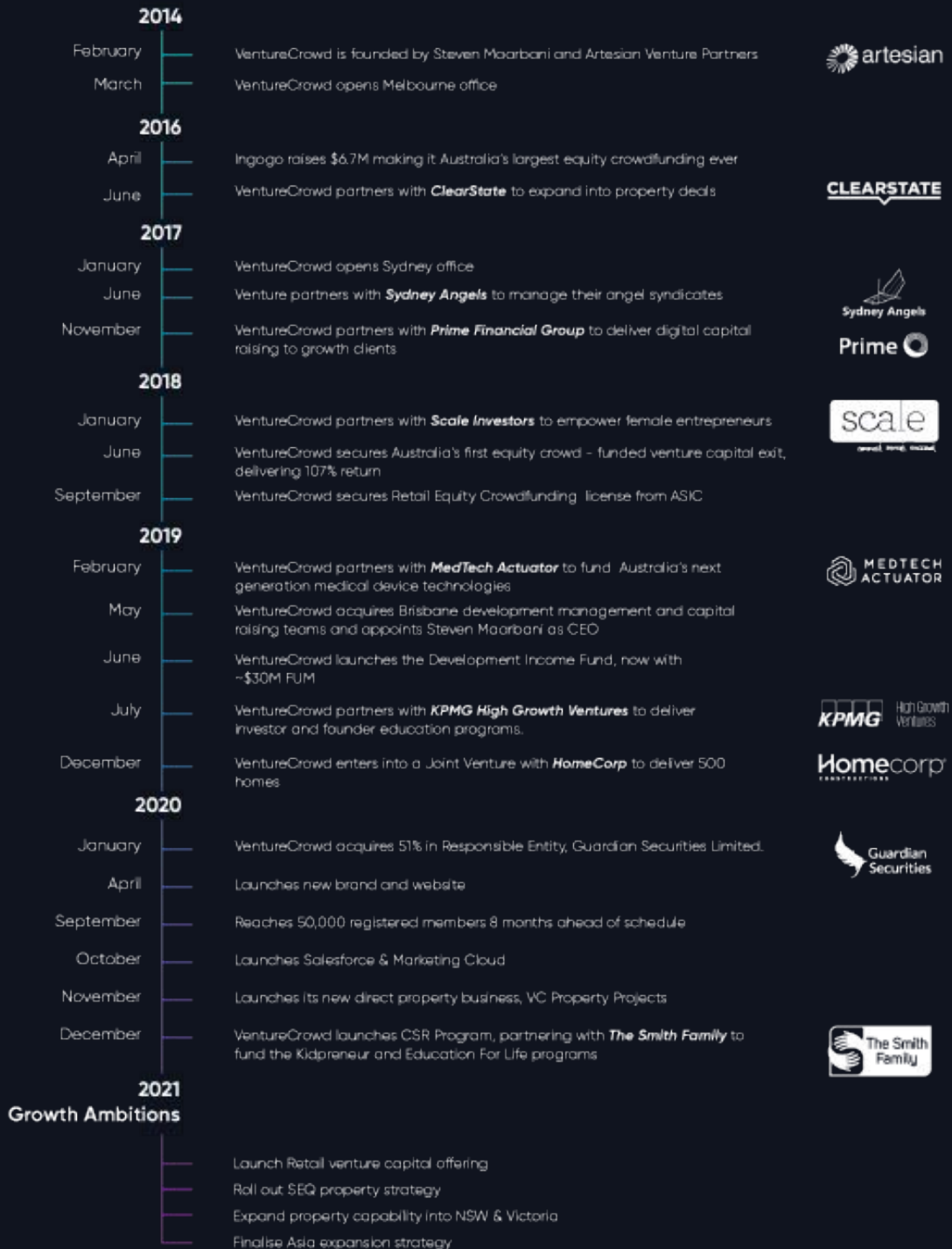
**57,000**

Total members

**63**

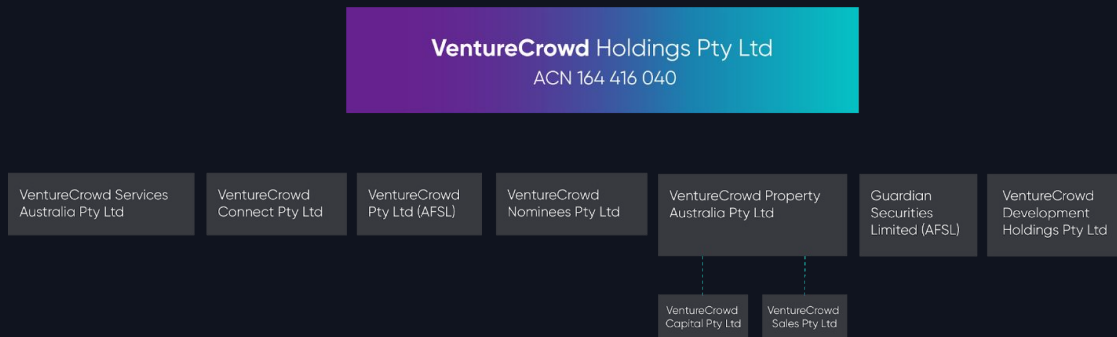
Portfolio  
Size

## 1.3 The VentureCrowd Story



## 1.4 Corporate Structure

The corporate structure of the VentureCrowd Group is structured as follows:



1. VentureCrowd Holdings Pty Ltd is the holding company of the group.
2. VentureCrowd Services Australia Pty Ltd provides shared corporate services to group entities.
3. VentureCrowd Connect Pty Ltd is currently dormant.
4. VentureCrowd Pty Ltd holds AFSL No.503381 which includes, inter alia, an authorisation to operate a crowd sourced funding platform.
5. VentureCrowd Nominees Pty Ltd is the trustee for all VentureCrowd wholesale managed investment schemes.
6. VentureCrowd Property Australia Pty Ltd provides property development management services.
7. VentureCrowd Capital Pty Ltd provides capital raising and investor relations services.
8. VentureCrowd Sales Pty Ltd holds a real estate sales license and provides property project sales services through our VentureCrowd Property Projects.
9. Guardian Securities Pty Ltd holds AFSL No.240506 which includes, inter alia, an authorisation to operate registered managed investment funds as a Responsible Entity.
10. VentureCrowd Development Holdings Pty Ltd is responsible for delivering the business plan contemplated by the HomeCorp joint venture arrangements.

## 1.5 Australian Financial Services Licenses

The VentureCrowd Group holds two AFSLs which collectively permit the provisions of a comprehensive range of financial services including the operation of a crowd sourced funding platform under the new equity crowdfunding amendments to the Corporations Act 2001 (Cth) and the operation of retail managed investment schemes.

The power of these licenses allows VentureCrowd to be more than just an equity crowdfunding platform servicing retail investors. Instead, these authorisations enable the development of a comprehensive digital investment firm for alternative assets, including managed funds, venture capital products, property development financing products and fixed income products. In addition, this broad scope of authorisations enables diversification of revenue streams and allows flexibility of revenue arrangements including management fees and performance fees.





## 1.6 Revenue Model

VentureCrowd's revenue model is intentionally multi-pronged and has been structured to mitigate the uncertainty of transaction-based revenue.

Categories of revenue include:

1. Campaign fee upfront
2. Marketing fee upfront
3. Transaction fee on capital raised
4. Performance fee on exit
5. Private Syndicate Platform - establishment fees
6. Private Syndicate Platform - annual management fees
7. Funds management and Responsible Entity fees through 2 AFSLs
8. Development management fees on property projects
9. NEW – Commissions on property sales
10. NEW – Growth services revenue

## 1.7 Competitive Advantage

VentureCrowd is the only multi-asset class digital investment platform in Australia and is well placed to continue its leading position in Australia as a result of the following competitive advantages:

1. Strong brand equity with a reputation for quality deal flow
2. Proprietary technology platform
3. Australia's only multi-asset class equity crowdfunding platform
4. Two Australian Financial Services Licenses with comprehensive authorisations
5. Retail platform ready to launch, generating another material revenue stream
6. Joint venture with Homecorp that integrates the property development offering and de-risks project delivery
7. Advanced technology platform engineered for scale
8. Comprehensive investment origination, transaction & management capability in venture capital & property development enabling better deal assessment & greater revenue opportunities
9. Syndicate platform, allowing external syndicates to use our technology for a fee
10. Highly experienced investment and operational team with deep funds management expertise



## 2. VENTURE CAPITAL

### 2.1 Overview

VentureCrowd has its origins in venture capital. Founded by a former PwC venture capital partner and one of Australia's leading venture capital firms, venture capital began as our original offering.

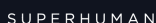
Today our venture capital team includes technical specialists who have hands-on experience in all aspects of the venture capital deal process – from deal structuring and transaction execution, to portfolio management and financial services compliance.

Once an opportunity has been assessed, our team works with the founders to package the raise and manage the campaign through to transaction execution. Campaign marketing and management is carried out through a number of digital tools, all built in a single Salesforce environment allowing VentureCrowd to accumulate rich, live data and use that data to optimise campaigns.

VentureCrowd's two Australian Financial Services Licenses and broad range of authorisations give our team the flexibility to structure venture capital deals as either wholesale offers, retail Crowd-Sourced Funding offers or a combination of both. This flexibility also allows VentureCrowd maximum flexibility in relation to the structure of financial products we offer as well as our fees, which can include performance fees and marketing fees.

Once a financial product offering is closed, the managed investment scheme for that deal is handed over to our funds management team to manage through to a liquidity event.

VentureCrowd currently manages a portfolio of separate managed investment schemes, which include the following companies:





## 2.2 Private Syndicate Platform

VentureCrowd's Private Syndicate Platform (PSP) is our Platform-as-a-Service offering.

The PSP product provides our online deal platform, aggregated investment vehicle and private registry service to companies raising money and to investor syndicate groups for a fee, where no capital raising assistance is required.

Under the PSP offering, VentureCrowd manages syndicate establishment, trust creation, investor on-boarding (including KYC and AML compliance), transaction execution and documentation and ongoing communication, administration and compliance services. VentureCrowd currently provides the PSP product to a number of Australia's leading angel groups, including Scale Investors and Sydney Angels, and intends to undertake significant business development activities to grow this part of the business in 2021.

## 2.3 NEW - Retail Crowd-Sourced Funding

VentureCrowd holds one of only a handful of Australian Crowd-Sourced Funding (CSF) licenses and is preparing to launch its retail product offering in 2021.

Recently introduced retail crowdfunding laws have opened up the investment markets to retail investors through Australian Financial Services licensed CSF intermediaries and have facilitated the digital distribution of investment opportunities previously reserved for wholesale investors through high-touch traditional investment management processes.

In other countries where similar crowdfunding legislation has been introduced, there has been a dramatic rise in the use of online investment platforms such as VentureCrowd. In the UK in 2019, only 5 years after the introduction of equity crowdfunding legislation, over 38% of all venture capital investment was done online through one of two equity crowdfunding platforms, making equity crowdfunding the single biggest contributor to the venture capital market in the UK.

VentureCrowd has attracted a retail investor base of over 50,000 completely organically and without ever having conducted a targeted retail customer acquisition campaign, indicating strong demand from this investor segment for venture capital opportunities.

VentureCrowd's UI/UX is designed for the retail market, the platform technology has been upgraded for retail functionality and a retail brand campaign has been prepared in anticipation of a full retail launch.

## 2.4 NEW - Growth Services

In 2021, VentureCrowd will launch its new Growth Services offering.

Designed to further integrate the business into the capital raising program of some of the most promising high-growth private companies in the market, the offering will include brand, digital marketing and lead generation services using innovative pricing structures, including a mix of cash and equity.

The plans for this new service are under development and can be discussed with appropriate parties in due course.

## 2.5 Case Studies



### Country's first crowdfunding exit gives investors back 107pc

#### Exclusive

Yolanda Redrup

Investors in airport transport start-up Jayride have made a 107 per cent return on their initial investment, in the country's first equity crowdfunding exit.

It is the first time Jayride's realised rate of return has been revealed, with the majority of investors who bought into its first round through VentureCrowd in December 2015 remaining investors in the business following its January IPO.

The first crowd-sourced equity funding raise was priced at 24c per share and was one of three rounds the company raised in this manner, equating to about \$700,000. All up, the business had raised \$15 million in capital,

including \$8 million from global venture capital network Follow[The]Seed, before listing this year.

Jayride chief executive Rod Bishop told *The Australian Financial Review* the most important thing for tech companies in Australia was access to capital. "Good ideas don't die, they go overseas and succeed," he said.

VentureCrowd founder Steve Maarbani seized upon Jayride's success as a chance to promote the growing importance of crowdfunding to the local start-up community.

He said the lamented trend of local start-ups heading to the US due to lack of early funding would be greatly lessened by crowdfunding.

"ThreatMetrix is a great example. It went to the US, raised capital and was sold for \$US817 million, and that

growth story was lost to Australia," Mr Maarbani added.

When Jayride went public in late January on the ASX it was priced at 50c a share, earning it a valuation of more than \$25 million.

Since listing, Jayride's share price has been volatile, trading as high as 56c and as low as 30c. It is currently sitting near its IPO price at 49c a share.

Its airport travel comparison service covers 2000 ground transport operators and 500 airports and most recently it recorded 28 per cent quarter-on-quarter revenue growth to \$633,000 for the third quarter.

Serial entrepreneur and Sydney Angel Justin Butterworth bought into Jayride's first crowdfunding round and has held on to the stock since it listed. To date he has invested about

\$50,000 in the company and said crowdfunding allowed him to get exposure to "quality assured" deals he otherwise wouldn't come across.

"For a long time private equity investment was only available to a select few. What this does is democratise the awareness and accessibility of this asset class, being early stage ventures," he said.

Mr Butterworth founded home rentals business Rentahome, which was acquired by Fairfax Media for \$29 million, and is also behind new property tech-venture Snug.com.

The entrepreneur has backed 25 start-ups to date, including about half a dozen through VentureCrowd, including Instacash, taxi booking app Ingogo and photography start-up Snapper.

"Investing in early stage businesses is a high-risk activity and investing smaller parcels with a trusted platform with quality deal flow like VentureCrowd helps minimise the downside risk," Mr Butterworth said.

"It also gives opportunity for diversification and, in my view, gives you a better chance of a reasonable return for this class of asset."

To date VentureCrowd has provided investors with the opportunity to back 45 deals, raising about \$25 million since 2014.

Mr Maarbani said the funding method would become a core component of the "traditional capital stack" for start-ups when legislation is enacted later this year, enabling public companies to take part in public crowdfunding.

AFR/GAI AC21



## 3. PROPERTY

### 3.1 Overview

VentureCrowd has built a full scale property team based in Brisbane that includes architects, engineers, developers and development managers with the ability to originate and manage end-to-end property development projects internally.

Our team has the capability to undertake all aspects of the development process, from land sourcing, through to obtaining approvals, managing construction and the sale of off-the-plan dwellings.

To eliminate construction and delivery risk, we have entered into a Joint Venture with our building partner - HomeCorp Property Group, 51% owned by Toyota.

Once a development opportunity has been secured, VentureCrowd packages each part of the capital stack for the project separately and offers the opportunity to invest in that part to its 57,000 member investors. Typically, this includes the initial equity in the early stages of a project through to preference equity, mezzanine debt and first mortgage loans in the later stages.

Once a financial product offering is closed, each financial product is managed by our funds management team under the relevant license.

### 3.2 The South East Queensland Strategy

VentureCrowd has entered into a Joint Venture with Homecorp to deliver a pipeline of residential development projects in South East Queensland (SEQ) targeting the delivery of 1,825 homes over 5 years.

This plan, called The 1,825 Keys Collaboration, underpins a large percentage of VC's property revenues totaling \$88m in the first four years of the forecast period.

Under the plan, a new entity - VentureCrowd Development Holdings Pty Ltd – has been established to facilitate a programmatic deployment of HomeCorp's construction capability combined with VentureCrowd's funds management and development management capability to develop broadacre land sites through to medium density housing, all within the same structure.

In summary:

1. each broadacre land site is funded through the establishment of a Super Lot Fund (SLF)
2. the SLF settles the land acquisition and subdivides the land into smaller parcels, each of which is typically suitable for ~100 dwellings, and sells each smaller parcel to a newly established Land Development Fund (LDF) also managed by VentureCrowd
3. the LDF undertakes master planning, obtains building approvals and oversees the development of the project through to fully serviced house & land packages
4. VentureCrowd member investors are offered the opportunity to invest in each stage of the capital stack for both SLFs and LDFs
5. the capital demand is in the process of securing an underwriting facility from a third party credit lender to ensure capital adequacy, ensure the roll out takes place as forecast and increase leverage resulting in higher returns to investors and VentureCrowd

Under the JV, VentureCrowd will act as the fund manager, raising capital through its equity crowdfunding platform, provide investor relations and fund management services and appointed the development manager for all projects. Homecorp will be the project manager and exclusive builder for all projects.

## PROCESS

### PHASE 1 - SUPERLOT PROJECTS

- SLF established with equity from VCDH
- SLF forms SL ProjectCo
- SL ProjectCo buy broadacre land suitable for 500 future dwellings
- HPG and VC fund early works
- SL ProjectCo settles land acquisition and subdivides the land into 5 Land Development Funds for sale with assistance from project debt
- Proceeds from super lot sales retires project debt and repatriates equity and profits to VCDH, HPG and VC



### PHASE 2 - LAND DEVELOPMENT PROJECTS

- LDF established with equity from Crowd Investors (majority) and VCDH (minority)
- LDF forms LD ProjectCo
- LD ProjectCo buys Superlot suitable for 100 dwellings from the SL ProjectCo with equity funds
- LD ProjectCo sells house & land packages to end-buyers, contracting HPG to build houses
- LD ProjectCo subdivides and develops the land into 100 fully serviced house & land packages with assistance from project debt
- Proceeds from house & land sales retires project debt and repatriates equity and profits to VCDH, and Crowd Investors



### 3.3 SEQ Property Market

VentureCrowd's property strategy is focused on supplying affordable, technically superior homes to the largest, most undersupplied and resilient sector of the Australian housing market.

In a post-COVID19 environment, the model benefits from the lowest interest rates on record and significant Australian Government incentives providing further stimulus to the entry-level housing sector. This includes the Qld first home owner grant (\$15k), Qld stamp duty concession (\$8k on a house and \$7k on land) and the Federal government's first home loan deposit scheme (5% deposit with no mortgage insurance, saving \$16k).

SEQ will specifically benefit from a number of converging macro factors including lifestyle, historic housing undersupply, strong and increasing demand, large infrastructure projects, population growth that is higher than the national average (and expected to further increase in a post-COVID19 environment).

As remote working becomes commonplace following periods of forced isolation, the suburbs outside the Brisbane metro are expected to experience a higher than average increase in demand as the requirement to commute reduces.





## KEY DRIVERS

### Population Growth

- The QLD residential market is expected to benefit from strong population growth and migration
- Estimated population is expected to exceed 6 million in 2030, equating to a CAGR of 1.7%, which is slightly higher than the average population growth of Australia as a whole

### Low Interest Rates

- Australian interest rates continue to be highly accommodative and are expected to counter subdued inflation and stimulate the domestic economy
- With the cash rate effectively at the lower bound, the RBA may look to implement other monetary policy mechanisms such as quantitative easing to reduce unemployment and support inflation

### Government Incentives

- Both the federal and QLD government offer several initiatives to assist first home buyers to purchase properties, including:
  - Queensland First Home Owners' Grant: \$15,000 grant towards buying or building your new house, unit or townhouse (valued at less than \$750,000)
  - First Home Loan Deposit Scheme: A federal government initiative from 1-Jan-20, where citizens can take out a mortgage with only a 5% deposit and avoid paying Lenders Mortgage Insurance, providing up to \$16,000 in savings
  - Queensland Stamp Duty Rebate/Concession: Up to \$8,750 rebate on buying an established house and \$7,175 rebate on vacant land

## IMPACTS OF COVID-19

- The COVID-19 outbreak has led to substantial negative impact on global trade, investment, household spending and employment which has sparked a deep and probable protracted recession in Australia
- While the housing market is expected to experience a drop in prices, sales and building approvals over the next six months, both the federal and QLD government have acted quickly to mitigate the economic impacts. Key recovery packages to stimulate the market include:

### ✓ QLD COVID-19 Jobs Support Loans - \$500m loan facility

- Businesses can apply for loans up to \$250,000 which will be interest free for the first 12 months to assist them in continuing operations and retaining employees

### ✓ Payroll tax deferment

- QLD-based employers that pay less than \$6.5m in Australian taxable wages and have been affected by COVID-19 may defer payroll tax returns until 3-Aug-20

### ✓ \$27.25m coronavirus industry recovery package

- The package includes targeted financial support and advice to help sustain jobs and businesses, promoting QLD locally and abroad through marketing and media activities

### ✓ Australian Government \$17.6b stimulus package

- \$17.6b targeted stimulus package is focused on keeping Australians in jobs and small and medium sized businesses afloat in the market

- With the first-home buyer market being the largest and most resilient segment, continued government support is expected to support prices and demand in the short term whilst the economy recovers from the impact of COVID-19

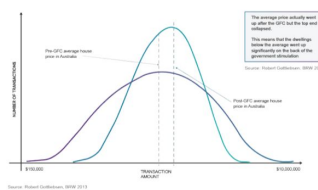
Australia's response to the COVID-19 health crisis has been world leading, resulting in lower infection and fatality rates than in most other nations.

As the Australian economy re-opens, the Australian Government is following its historic practice of driving economic recovery after an economic crisis through the stimulation of the entry-level real estate market. In the months and years ahead, those initiatives are likely to fuel increased demand for housing stock directly within the market segment that this model is targeting.

The graphs below show the effect of government stimulus on average housing prices in Australia following the GFC, providing a guide for the Australian housing market beyond COVID-19:

- Graph 1 shows how the average price of residential properties in Australia responded to government stimulus in Australia after the Global Financial Crisis.
- Graph 2 shows the average price of residential - The graph below shows how the average price of residential property grew after the Global Financial Crisis compared with the ASX All Ordinaries Price Index.
- Graph 3 shows that lending into residential housing continued to grow during and after the GFC.

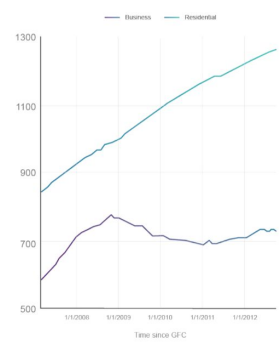
Graph 1  
UNDERSTANDING AVERAGE HOUSE PRICE



Graph 2  
AUSTRALIAN HOUSING VS AUSTRALIAN SHARES  
Before, During and After GFC



Graph 3



## 3.4 Property Sales

VentureCrowd also operates an internal VentureCrowd's property sales arm – VentureCrowd Property Projects (VCPD).

Strategically, VCPD is designed to extend our alternative asset investment offering into off-the-plan dwellings in projects we manage whilst allowing the group to retain as revenue amounts otherwise paid to external selling agents.

The offering is targeted at property investors within our database and focuses on the investment characteristics of the relevant projects.



VCPD currently manages off-the-plan land and property sales for a number of property development projects across Queensland. Its sales team comprises licensed real estate agents and sales professionals with a wealth of experience in off-the-plan property sales.

The sales commissions payable to VCPD together with the marketing cost allowances in respect of the sales program are in line with market rates and have been fully disclosed in the project feasibility.



VCPD  
PROPERTY  
PROJECTS



VIP EXCLUSIVE OPPORTUNITY

### CORNERSTONE VILLAGE, PIMPAMA, QLD

METICULOUSLY CRAFTED 3 BEDROOM APARTMENTS SPECIFICALLY DESIGNED FOR OWNER OCCUPIERS IN A BOUTIQUE DEVELOPMENT OF 76 APARTMENTS, BOUTIQUE AND EXCLUSIVE.

Spanning 2.6-hectares, Cornerstone Village is a medium density property development which will comprise of 76 townhouses and be home to more than 190 people.

Cornerstone Village offers a unique lifestyle with almost 60% of the village dedicated to park-land and reserves. A garden theme is intrinsically woven throughout the streets and parks of Cornerstone Village, with a focus on flowering trees, evergreens, and accent planting framing the homes.

INQUIRE NOW

76

UNIQUELY  
DESIGNED  
TOWNHOUSES



CORNERSTONE  
VILLAGE

### 3.5 Interstate Expansion

Once the SEQ strategy is fully operationalised, VentureCrowd intends to replicate the strategy in Victoria and New South Wales. The executive team are in early discussions with potential building partners.

### 3.6 Case Study: Cornerstone Village, Pimpama

In addition to developing their own projects, VentureCrowd and Pimpama are currently developing super lot and land development projects in some of Queensland's most desirable locations.

Cornerstone Village in Pimpama is an excellent example of this powerful collaboration. Designed and built by HomeCorp, with funding and development management by VentureCrowd.

#### Project Highlights

- 76 architecturally designed townhouses
- DA and operational works approved
- Construction commenced
- Project ROI targeting 79%
- Project completion in 22 months
- Strong capital growth and high rental yields

#### Financial Feasibility Summary

<b>Gross Sales Revenue</b>	\$34,267,866
<b>Total Costs (after GST reclaimed)</b>	\$25,141,482
<b>Net Development Profit</b>	\$4,435,737
<b>Projected IRR</b>	23.37%
<b>Equity Contribution</b>	\$7,000,000
<b>Peak Debt Exposure</b>	\$7,751,669
<b>Equity to Debt Ratio</b>	59.60%





## 4. PLATFORM GROWTH TECHNOLOGY OVERVIEW

### 4.1 Overview

VentureCrowd's platform growth strategy is a sophisticated meshing of brand, marketing and technology. When it is complete, VentureCrowd will be a hub for investors and founders, offering personalized products to connected communities of like-minded investors, and aligned to open banking.

#### **We call it Open VC™.**

The Open VC™ platform is being built in three phases, summarised as follows:

1. **Horizon 1 (Core)** – Heightened customer centricity & data integrity
2. **Horizon 2 (Connect)** – Personalized products & connected communities
3. **Horizon 3 (Open)** – Open, accessible API framework, aligned to open banking

The platform has been designed with both CX and scalable business growth being top-of-mind.

With phase 1 now fully operational and managing millions in funds transfer, we are moving into the next stage of our platform growth strategy as we work toward our Open VC vision.

A portion of the funds raised from this offer will be used for the development of the next stages of our Open VC™ platform.

### 4.2 Horizon 1 – Core

The first phase of our platform development is largely complete.

Today, the platform is an automated, integrated digital marketplace connecting founders (ventures, credit, property) and investors that seamlessly facilitates the entire investment process – from customer acquisition and automated nurturing, through to investor onboarding, investment execution and portfolio management.

In summary:

- Customer acquisition has been automated, as the platform seamlessly moves new leads from initial engagement through the nurturing, education, conversion and value creation stages of their relationship with VentureCrowd.

- The operations team are able to simply create products and campaign information, manage investor communications, facilitate deal execution, receive and transfer funds, issue investment contracts and ongoing financial reports, and make distributions on exit.
- Users can register, on-board, conduct identity and KYC checks, receive wholesale investor certifications (where required), engage in Q&A in relation to a deal, review deal information, make an investment, sign the investment contracts and receive confirmation of an investment completely digitally.
- Investors have their own password protected dashboard to monitor their investments and grow their wealth knowledge, accessible on all devices including mobile.
- Built in a Salesforce environment, the platform stores all relevant data from operations to marketing to investor management in one place and, as a result, every time an investor takes an action - from watching an educational video to viewing a deal page - that action becomes a live feed into our data set for that individual investor.

These core platform features give VentureCrowd a single and connected source of truth for all relevant business information, and the ability to use that rich data to truly listen to our investors. By using the data to analyse behaviour and draw insights, we can build demand-driven offers which are personalized and optimise the capital raising process.

### 4.3 Horizons 2 & 3 - Moving towards Open VC™

The second phase of our Open VC™ platform strategy (Horizon 2 – Connect) will facilitate the development of communities of like-minded investors driven by like-minded purposes, creating a network effect through a shared ‘sticky’ platform with VentureCrowd as the hub. Always-on insights and data will inform our content, messaging and product releases, allowing us to curate deal flow that is demand-driven and close capital rounds faster.

Think of it as a social network, for purpose-driven investors.

In the third phase (Horizon 3 – Open), VentureCrowd will launch an Open API framework allowing a range of financial services to be delivered through partnerships with other FinTechs and further building the ‘stickiness’ of the platform for our members.

Enabled through a suite of Salesforce tools, AI integration, a heroku development platform, and the Open API framework, the intent is to allow the communities to operate autonomously and to bring together a consolidation of complimentary FinTechs, with VentureCrowd as the facilitator and the hub of all of that activity.

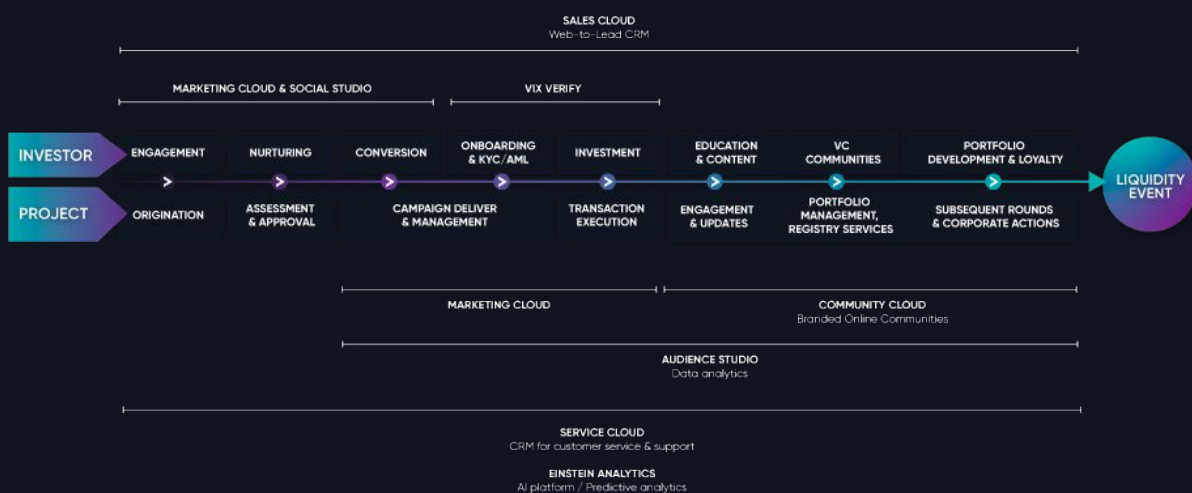
***That's what we call Open VC™***

## 4.4 Technology stack – Structuring for speed, evolution & demand

The platform is being built to adapt and evolve with the changing demands of clients, devices, products and personalisation, and to allow a seamless rollout into Asia (or other foreign markets) in due course.

As a platform, it is low risk, with the customisation around investor experience being predominantly built within the Salesforce environment and the applications based functionality completing the technology stack.

The core component of this is the end to end Salesforce platform consisting of Audience studio, social studio, marketing cloud, trailhead, communities, CRM and Heroku wrapped by an API ecosystem.



## 5. TEAM

### 5.1 The Executive

The VentureCrowd Board and Senior Management are experienced executives in funds management, alternative assets and entrepreneurship, who are well placed to drive the business toward its growth objectives.



**STEVEN  
MAARBANI**  
**Director, CEO &  
Executive Chair**

**Steven** is a corporate lawyer and former PWC partner specialising in venture capital, funds management and financial services. He has advised on many of Australia's leading VC funds and co-founded VentureCrowd. Steven is also a Partner and member of the Innovation Advisory Council of the Real Tech Ventures Fund and sits on the Advisory Board of a number of high-growth companies. Steven is regularly called upon to give market commentary and to speak on the topics of property finance, venture capital, alternative finance and funds management. Steven is admitted a legal practitioner of the Supreme Court of New South Wales and holds a Master of Laws degree from the University of Sydney.

Steve leads the legal, funds management and compliance functions of the business, and acts as the public facing brand ambassador.



**DARREN TASKER**  
**Executive Director,  
Technology Lead**

**Darren** spent 20 years in senior executive roles with large industrial companies, including as COO of WesTrac. He has led finance and operations functions and transitioned several large acquisitions during his career. Darren holds an Engineering Degree from University of NSW and is a Harvard Business School Alumni (GMP 2009).

Darren leads VentureCrowd's platform and technology development initiative.



**GARTH YOUNG**  
**Director**

**Garth** is a seasoned entrepreneur with experience leading growth from scale-up through to exit. He was the Co-Founder and Managing Director of Inflight Logistic Services and Inflight New Zealand, which were sold to Gate Gourmet. Following the sale, Garth remained Managing Director as the group was floated on the Zurich stock market.





**DAVID WHITTING**  
**Property Director**

**David** is a former lawyer and a senior property development executive with over 25 years' experience with some of Australia's leading property organisations. David was previously the Queensland General Manager for Grocon, State Director for Multiplex Developments and Project Director for Laing O'Rourke. David specialises in strategy, acquisitions, disposals, structuring, project initiation and approvals of institutional grade real estate assets across the commercial, residential, retail and hospitality categories.

David leads VentureCrowd's property team.



**MARC BROOKS**  
**Finance Director**

**Marc** is a chartered accountant with over 20 years' international experience in regulated organisations including over 15 years specialising in funds management. He has extensive experience in building multinational finance functions subject to European, North American and Asian taxation and financial regulatory regimes. Marc holds a Bachelor of Business from QUT and is a member of CAANZ.

Marc leads VentureCrowd's finance team.



**AARON RUMER**  
**Chief Operating Officer**

**Aaron's** drive is operational execution and efficiency having spent the last 18 years holding senior management roles in complex cross-functional operating environments. Executing through long-held 6 Sigma and Lean degrees Aaron is passionate about building and using real-time data to make informed decisions, ultimately driving performance and creating an agile business. Spending many years working within Kerry Stokes controlled Seven Group Holdings managing a number of large start-ups and mergers. Aaron understands what it takes to go from strategy to execution whilst ensuring that culture and performance are not left behind.

Aaron leads VentureCrowd's operations

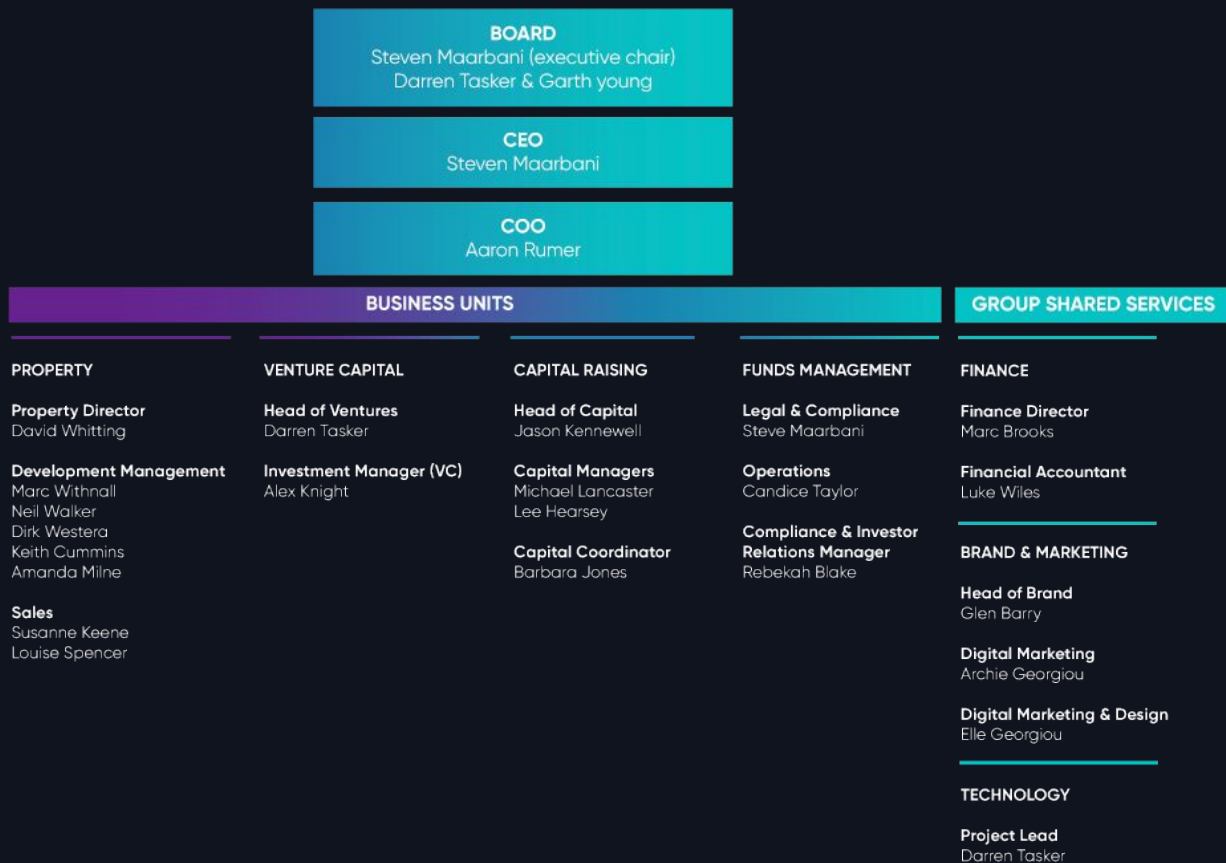


**GLEN BARRY**  
**Chief Brand Officer**

**Glen** is one of Australia's leading brand and creative executives, having held former roles including National Director of the Australian Graphic Design Association, NSW President of the AGDA, Director of Innovation Strategy at Deloitte and Creative Director & Head of Brand Identity and Brand Experience at Ideaworks. Glen has led the creation and implementation of some of Australia's most loved brands including Dymocks, Raine & Horne, King Gee, Big W and Oporto.

Glen leads VentureCrowd's brand identity and customer experience.

## 5.2 Organisational structure



# FINANCIAL OVERVIEW

	FY21F	FY22F	FY23F	FY24F
<b>REVENUE</b>				
Venture capital	738,750	3,420,833	8,240,000	13,051,250
Funds Management - Venture capital	627,493	2,909,469	5,670,000	10,116,949
Property	7,370,780	17,760,433	24,532,785	38,114,214
Funds Management - Property	1,781,572	2,124,939	3,009,271	4,899,932
Total	10,518,595	26,215,674	41,452,056	66,182,344
<b>DIRECT COSTS</b>				
Venture capital	1,672,800	3,319,656	4,536,162	5,348,130
Property	5,681,649	8,631,169	12,963,823	16,608,938
Funds Management	621,800	608,627	588,224	598,099
Total	7,976,249	12,559,452	18,088,210	22,555,167
<b>EXPENSES</b>				
Shared employees	796,450	993,972	1,195,839	1,402,148
Professional services - tax, audit, legal	200,000	302,500	468,000	561,600
Operational expenses	672,226	2,686,482	2,406,201	3,092,443
Total	1,668,676	3,982,954	4,070,040	5,056,191
<b>EBITDA</b>				
	<b>873,670</b>	<b>9,673,269</b>	<b>19,293,806</b>	<b>38,570,986</b>



## INVESTMENT SUMMARY 2020

# WE **FIND** AND **FUND** THE **FUTURE**

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