23 November 2020

ASX On-line
Manager Company Announcements
Australian Securities Exchange

Dear Sir/Madam

Annual General Meeting Presentation to Shareholders

In accordance with Listing Rule 3.13, we enclose the Chairman's Address to Shareholders at the SIV Capital Limited Annual General Meeting to be held at 9am (Qld time) at 13 Kurilpa Street, West End, Qld.

This announcement has been authorised for release to ASX by the SIV Capital Board of Directors.

Don Mackenzie
Company Secretary

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SIV Capital Limited
Annual General Meeting
23 November 2020

Chairman's Address

Shareholders will have already read the Chairman's statement in the annual report so I propose to only comment briefly on some of the matters mentioned and, as appropriate, provide updates:

- The main transaction for the June 2020 year was the sale of the Hospitality business to a consortium of investors under the leadership of Next Capital Pty Ltd which realised approximately $14 million net of our sale costs. The recent capital return in June 2020 was funded from these sale proceeds.

- The Group's remaining business, GoGetta, and its operation and the remediation process have become our major focus in recent months.

GoGetta Business: The GoGetta rundown process and its management has been a notable success for the Group since February 2018, with targets in respect to cash generated being consistently met. This has resulted from proactive management across a lot of areas by the small team running this operation. The book is now of sound quality with live contracts of just over $9 million as at 31 October 2020 (with a written down asset value $2.9 million).

Michael Cronan, who had managed the GoGetta rundown from February 2018, joined SIV Capital full time in May 2020 and is now directly employed by the Group. Michael has worked across a number of areas for the Group previously, including Queensland State Sales Manager, Head of Collections, and Project Manager for the turnaround of areas including both GoGetta and Hospitality Remarketing, debt sales and the legal ledger, as well as being a member of the Executive team.

GoGetta now has five contracted employees, all of whom have been working on GoGetta since February 2018. Their focus has been the management of the existing portfolio as it continues to rundown, and the preparation required for the GoGetta remediation program. Since May 2020, GoGetta has provided a limited number of new rental contracts for long standing customers.

We thank Michael Cronan and the small GoGetta team for their diligence during this time.

Covid-19: Due to the rundown of the GoGetta portfolio, the net result has left the portfolio primarily skewed toward heavy transport. At the end of the financial year, only five customers were affected by COVID related arrears however we continue to be in contact and work with them as they navigate their individual circumstances. Pleasingly for the Group, there has been no material affect from COVID on the GoGetta business.

Remediation Process: SIV Capital first announced to the ASX on 4 July 2018 that ASIC was investigating a number of light commercial contracts issued by GoGetta that were alleged by ASIC as constituting consumer lending without a credit licence. Since this time, SIV Capital and GoGetta have been working proactively with ASIC in relation to this investigation and potential remediation of affected customers.

The Company announced on 10 August 2020 that ASIC had accepted an Enforceable Undertaking offered by SIV Capital and GoGetta in which they committed to a comprehensive remediation program for affected customers which will be overseen by an independent remediation consultant. The Enforceable Undertaking is available on the public register maintained by ASIC.

On 11 August 2020 the Company further announced that ASIC had commenced proceedings in the Federal Court of Australia against GoGetta for alleged breaches of sections 29 and 32 of the *National Consumer Credit Protection Act 2009* (Cth) in relation to 10 customers who entered into motor vehicle leases with GoGetta in 2015 and 2016. GoGetta intends to admit that it contravened sections 29 and 32 of the National Credit Act in relation to the 10 customers the subject of the proceedings. However, the Company has reserved its position in relation to the number of contraventions and the appropriate penalty for those contraventions.

The planning for the execution of the remediation process has been exacting with a significant amount of time being incurred in its planning, documentation, systems analysis and related matters in addition to our dealings with ASIC and our lawyers. Since the release of the annual report, the Independent Remediation Consultant has been appointed and has been familiarised with GoGetta systems and the process of contacting customers which began earlier this month. Remediation is expected to be completed by April 2021 and the Court appearance is also expected to take place in April 2021.

Current operational position: SIV Capital retains the GoGetta business which has been in rundown, albeit that we are funding some new business to previous customers with good records and performance with the Company. In particular:

• The Group has provided $6.8 million for expected customer remediation and related costs and will re-assess the provision at 31 January 2021 being three months into the remediation program.

• Our expectation for gross cash on hand at 30 June 2021 to be $18 million (pre remediation and related costs) which is around $4 million lower than the $22 million we advised in the Annual Report. This has in part been caused by new rental contracts each month (total $1.7 million actual to date and forecast), re-estimating our own legal costs in respect to the ASIC matter and taking a more conservative view of other costs/contingencies and to a lesser extent revenue items for the balance of the year.

We expect that the capital value of the $1.7 million new business will be recouped post 30 June 2021 and in addition, debt collection activity is expected to generate funds of $800,000 to $1 million, post 30 June.

There are uncertainties included in this cash forecast which could have a material impact and include the proceeds of an insurance claim (which has not been booked in the accounts) and the final quantum of the costs associated with the customer remediation (referred to above and provided for in the accounts).

Based on budgeted remediation and related costs which are expected to be paid by April /May 2021, the Group will have approximately $11 million of cash on hand at 30 June 2021.

We believe GoGetta as a business at 30 June 2021 will have a value well in excess of the $4 million re-estimate of cash referred to above. It is expected to be generating around $260,000 net of costs per month at June 2021 and our analysis of the market to date indicates that there is an option to maintain it as a boutique financier.

SIV Capital on-going: The Group is debt free with its liabilities comprising normal trade creditors, GoGetta customer bonds and the $6.8 million customer remediation provision.

After the remediation and Court action is finalised, subject to the result, the Directors will be able to make decisions on further returns to shareholders and recommendations for future business plans. At this stage it is expected that at least part of any future distribution to shareholders will be able to be franked. The GoGetta business has stabilised and is being tightly managed, focusing on a niche in the transport sector and is earning sound returns.

For completeness, the Company disclosed in its annual report that it has carry forward tax losses of approximately $33.9 million tax effected. The deferred tax asset in respect to these losses was derecognised for balance sheet purposes as at 30 June 2019. In addition, the Company has a franking account balance of approximately $25.6 million. This means that subject to the earning of profits in the future, fully franked dividends of just over $59 million could be paid.

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