

ASX Release

28 May 2018



AIY enters Billion-dollar Epigenetics market

In breaking news, Aenea Cosmetics: AENEA (AUST) PTY LTD, the first luxury high tech skin care range to launch globally based on the science of Epigenetics, has entered into an exclusive investment agreement with Authorised Investment Fund Limited (ASX: AIY). The Board of AIY has much pleasure in announcing it has agreed to acquire a 20% interest in AENEA (AUST) PTY LTD ACN 626 280 555. It also has an option to increase this holding by a further 10% to a total of 30% exercisable by 1st August 2018. The consideration for the 20% interest in AENEA (AUST) PTY LTD is AUD2 million, to be paid on or before 25th June 2018. The AUD2 million is derived through the placements of 10 million AIY shares at 20 cents per share. The consideration to exercise the option is AUD1 million or by placement of script @ 20 cents per share or a mixture by the 1st August 2018.

The global [epigenetics market](#) is expected to reach USD 16.31 billion by 2022, according to a new report by Grand View Research, Inc.

The vision for Aenea Cosmetics is to be distributed globally through the most luxurious department stores in the world. Aenea has already secured Harrods London and Bergdorf Goodman New York for distribution of its full cosmetics range, establishing a strong foundation and position in terms of its retail power and value.



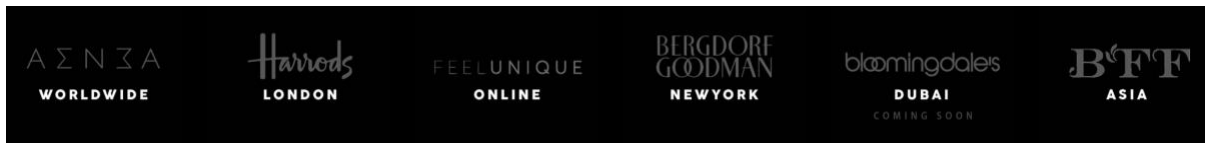
Aenea has also signed a distribution deal across Asia Pacific which guarantees 30,000 unit sales in the next 24 months and is in the process of securing strong distribution through leading department stores in Asia.

The AIY investment in Aenea Cosmetics is fundamental to the overall strategy that AIY has recently embarked on. In January this year agreement was reached with Box Digital Media Pty Ltd (BDM). And, just last month, AIY invested in one of Asia's leading media companies, Asian Integrated Media PTY LIMITED (AIM). Now, together with this important investment in Aenea, we are confident we have a materially increased capacity to accelerate our growth in not only emerging disruptive digital technologies but innovative technologies within the lucrative premium health and wellness sector.

In addition to this we expect to be adding an increasing revenue stream from successful digital strategies and expanded distribution of Aenea Cosmetics in leading department stores globally during calendar 2018.

See Aenea Cosmetics Founder, Damien Zannetou talk about the importance of Epigenetics in the Aenea Cosmetics range and the roll out plan for the range in leading department stores around the globe.

https://www.youtube.com/watch?time_continue=36&v=Ih3eXp1CsgE



Quote: Damien Zannetou, Founder, Aenea Cosmetics

“Aenea’s new partnership with AIY will help fuel the Aenea brand’s rapid growth on a global scale. Our vision is to be the first luxury high tech skin care range based on the science of Epigenetics, available to discerning consumers through the world’s leading department stores.”

Quote: Ben Genser, Chairman AIY

“The size of the epigenetics market is well noted to reach over 16 Billion dollars by 2022. Aenea Cosmetics is well positioned to stake a healthy share in the high-end cosmetics sector. Through its powerful distribution in some of the world’s leading high-end department stores, the Aenea Cosmetics brand taps into a huge consumer market, in what is a very pioneering and exciting area of wellness.”

“The Aenea investment makes a perfect fit with AIY’s move towards digital disruption. It is a logical move to capture and enhance the growth and marketing potential of suitable products which can immensely benefit from the accessibility to digital retail markets through one of AIY’s investee companies, Box Digital Media and its E-MERSION digital portal. AIY sees these synergies and marketing opportunities as generating significant marketing potential of the partnered investee brands.”

See video showcasing the latest digital magazine portal launched by Box Digital Media (as announced in AIY’s release to ASX on January 19, 2018)

https://youtu.be/HKN0qILAk_8

About Aenea Cosmetics:

Founded by beauty brand and cosmetics entrepreneur Damien Zannetou, the multi award-winning Aenea Cosmetics product range was launched by Damien in 2014 and boasts a full range of Epigenetic skin care. It has garnered a celebrity following and an army of engaged social media followers who can’t get enough of the ultra-luxe, on-trend Aenea brand. The global beauty and wellness industry is highly complex and constantly evolving and Damien has brought together a team of highly experienced individuals and companies who specifically focus on the luxury skin care and retail market.

Aenea has already secured Harrods in London, Bergdorf Goodman in New York, Feel Unique Online Europe and BFF BKK Bangkok as exclusive global retail partners, to advance the brand’s market position as a luxury good with a clear marketing strategy across leading skin care capitals.

The holding company is now Australian based, and the operating company is based in London UK.

Aenea Cosmetics is the first luxury high tech skin care range to launch globally based on the science of Epigenetics. Epigenetics literally means ‘on top of’ your genes, in other words the environment and how it affects your skin.

We are all born with a genetic code which tells us how we’re going to age but throughout our adolescence and as we age, we begin to experience epigenetic environmental factors that can speed up the process of ageing.

This might include air pollution, radiation from our mobile phones or computer screens, stress and the production of cortisol which can lead to a breakdown in our collagen and elastin production due to over exertion at work, a lack of sleep or not enough water, our lifestyles in terms of exercise, diet and the consumption of alcohol, sun damage and a lack of protection and moisture or hydration.

Aenea has teamed up with the leading formulators in the business to create a set of unique products that are designed to target these factors, enhancing our natural defence mechanism against these free radicals and aggressors to slow down the ageing process and intimately lead to younger, more radiant looking skin.

We are totally cruelty free, 100% vegan and free of sulphates, detergents, petrochemicals, artificial colours and fragrances.

We are ethically and environmentally responsible and wish to revolutionise the skin care arena with a series of high profile brands that think outside the box away from conventional ideas which are out dated and over saturated.

About AIY

Authorised Investment Fund LTD (AIY) operates as a registered Pooled Development Fund under the Pooled Development Funds Act 1992 (PDF Act), solely within Australia. The principal activity is to provide passive equity capital to certain eligible small or medium-sized Australian companies in accordance with the provisions of the PDF Act.

AIY has a number of favourable investment attributes. One of these is its tax-free capital gain status. Since implementation of AIY's strategy to invest in digital media assets, the market has acted favourably and outperformed the All Ordinaries Index over the past 12 months.

For and on behalf of the Board



Cathy Lin
Company Secretary - Authorised Investment Fund LTD

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Authorised Contact

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