

A LETTER TO OUR INVESTORS

2016–date, and what the future holds.



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Dear Investors,

I would like to begin this letter by thanking each and every one of you for trusting us, believing in us and continuing to invest your precious resources in and with our company. By investing in Cetera Investments LTD you all are embarking on a fruitful journey that is bound to yield returns and value; for you, and for us.

2020 was a turbulent and unique year in many respects. Global lockdowns as a result of the COVID-19 pandemic significantly affected economic activities. Most businesses were either shut down or forced to incorporate remote work into their processes. Regulators and reserve banks took a more active, participatory role in ensuring that economic contractions did not cause any significant, irreversible long term damage to their respective economies. Even worse, human lives were lost.

But despite all these tragedies and unpredictability, we kept on growing and delivering value to our clients, users and investors. In 2020, we grew immensely; attaining new record levels: our assets under management reached \$2.6 trillion, and our operating profit \$22.1 billion. Our healthy business mix and earnings diversification allowed us to outperform yet another year despite challenges in the performance of the broader market as well as various issues created or exacerbated by the impact of the global pandemic.

There are many sources to our success. We achieved growth through strategic expansion, effective portfolio rebalancing and betting on alternative asset classes - all of which paid off handsomely in the end. In United Kingdom, for instance, our portfolio grew by 22% - on the other hand, the rest of the market grew by 6%. Buoyed by the performance of our cloud mining services, our investment in cryptocurrencies and the performance of our loan advisory segment due to an increase in mortgage refinancing as a result of the impact of the COVID-19 on the global economy, Aviva Capital management was able to outperform the broader market.

Our performance in 2020 mirrors that of the preceding years: since 2016, we have maintained our growth and unlocked new heights whilst delivering tremendous value.

At Cetera Investments LTD we believe in focusing on our client's needs, creating an optimal environment for employees, trading partners and investors, as well as efficiently delivering on set targets. To do all of these and more, we try to keep to our ethos and maintain a culture that is sustainable and beneficial to our business goals and Our financial performance is strong, and so is our organizational health: Our people and leaders are bringing to life one of our strategies: "Efficiency Wins." We are creating an environment that is open to and promoting constant change - an essential success factor in highly volatile times like these. The new spirit can be felt throughout the organization, and it is expressed in our Inclusive Meritocracy Index, which measures leadership and performance culture, reaching an all-time high of 86%. Still, we want to do more to mobilize in particular our frontline employees. They are the face to our customers. Their outstanding commitment is one of the reasons in a comprehensive set of initiatives, which helped us to manage the growth of a number of our businesses, and put us on the path where Cetera Investments LTD is a loyalty leader with investors who are ever willing to recommend us to their family and friends. Nevertheless, we must become even better in customer service excellence. Our focus on productivity can never be an excuse to compromise on customer experience.

It takes a strong base to remain confident even in uncertain times. We have therefore written down Cetera Limited purpose and, over the past five years, established it throughout our global organization units. Employees and partners worldwide have worked to put into words what inspires everyone at Cetera Investments LTD to dedicate their best efforts to our customers' day by day:

WE SECURE YOUR FUTURE

Apart from the innumerable everyday activities through which Cetera MANAGEMENT employees fill our company purpose with life, there were some achievements this past year that we are particularly proud of:

- We made a series of acquisitions to strategically rebalance our portfolio. To name just a few: we are currently exploring the possibility of launching our very own Initial Coin Offering (ICO) in 2021 - and to that effect, we have purchased three more private Cetera Investments LTD computing farms in Norway and Latvia, in order to meet all our data processing and computing infrastructural needs,
- Our asset management division completed the purchase of \$252 billion in assets last year - and already, those purchases returned 37% in 2020 alone.
- We continued our productivity improvement and managed to further reduce our expense ratio in the Property-Casualty business - true to our promise of 2017 to focus even more on what adds value for customers. As an acknowledgement for this achievement, we are rewarding our employees and most valued customers with early access to our planned 2021 ICO - true to our promise to them that above all, they should benefit from our efforts.
- Our total Assets Under Management grew to \$2.6 trillion, a company record and one of the largest in the world.
- As part of our continued efforts to safeguard a sustainable future, Cetera Limited MANAGEMENT pledged to participate in the Allianz initiated and UN-convened Net-Zero Asset Owner Alliance - a group of the world's largest pension funds and insurers which have committed to reduce the carbon emissions from their investment portfolios to net-zero by 2050. Along the same lines, we are also a part of the Global Investors for Sustainable Development (GISD) initiative, which aims to scale up finance and investment in sustainable development. Through actions like these we gain leading positions in key sustainability rankings like the Dow Jones Sustainability Indices year after year.

These achievements are the best proof for the exceptional quality of our people. On behalf of my Board of Management colleagues - and, I assume, on your behalf as well - I want to express my sincere thanks to our employees and partners around the globe for their unfailing dedication and great work.

Like every year, 2019 also presented some challenges. Foremost among them was the low interest rate environment, with rates even turning negative in a growing number of instances. To continue delivering high value to our customers, we moved into alternative asset classes early on, reaching \$2.6 trillion in assets under management by

the end of 2020. As we carefully adjust our portfolio, we manage to keep our balance sheet strong even under unfavorable conditions such as these, continually confirmed by very good ratings. Our journey over the past 5 years has not been easy, and we have faced our share of challenges. We have often found ourselves in complex situations where we must make difficult choices among competing interests: between buyers and sellers; between competing sellers; between entrepreneurialism and regulation; between innovation and the need for stability, between investor portfolios and the market. Behind every substantial innovation or step forward, we have encountered and will continue to encounter resistance from vested interests who prefer the status quo.

In addition, many problems in the real world manifest themselves in different shapes and forms in our ecosystem, including intellectual property infringement and those who seek to exploit our ecosystem for unfair gains. Like all companies today, we must grapple with these tough issues. Even an ecosystem built on the Internet cannot be entirely free from problems in the traditional economy, because the participants in our ecosystem and their activities cannot be isolated from the physical world.

It is by no means easy to handle these issues because there are no perfect solutions to any problem encountered while doing business as a company that is as large and as influential as ours. By the same token, an ecosystem cannot be perfectly designed ahead of time because it evolves organically. Cetera Investments Limited future

development therefore must embrace rapid change according to our evolving environment.

But, it is not our style to shy away from challenges. Whether you are an investor, an employee, a shareholder, a partner, you can be rest assured that we will stick to our ideals, be ourselves, focus on the future and adhere to the principles of integrity and transparency in our corporate governance. We will act in a way to safeguard the long term value and sustainability of our company. Your trust and support will be our greatest asset, and our creed is to not forsake the trust that people have in us.

This resilience is fostered by our strategy “Efficiency Wins”. We are making investing simpler for our clients. We are slimming down our products, our processes, and our IT.

We are starting to get rid of old technologies and to prepare for a future-oriented digitization, which is not designed to fit with legacy systems but to accommodate future customer needs.

We look to the next year with utmost confidence - not because it is going to be an easy one, but because we are well prepared for what lies ahead.

Thank you for being at our side.

Sincerely Yours

A handwritten signature in black ink, consisting of a series of loops and a long horizontal stroke extending to the right.

The Management Team, to the Cetera Investments Company