

6 December 2017

Company Announcements Office  
ASX Limited  
Exchange Centre  
Level 4, 20 Bridge Street  
SYDNEY NSW 2000

## **Subject: EdventureCo acquisition of DDLS**

The Directors of Arowana International Limited (ASX: AWN) are pleased to announce that its education platform, EdventureCo, has completed a transaction to acquire all of the issued share capital of DDLS Australia Pty Ltd ("DDLS") from ACTE Pty Ltd.

DDLS is Australia's largest information and communications technology training business and is a highly regarded national brand that has been operating for over 25 years.

With 6 campuses across every mainland state of Australia and the ACT, DDLS possesses a blue-chip client base of governments and corporates including the Department of Defence, Australian Federal Police, CSIRO, Australian Taxation Office, Telstra, ANZ Bank, Commonwealth Bank and Boeing. The business delivers vendor and industry certified courses for Microsoft, Cisco, Citrix, CompTIA, PMI, VMware and many others, with 100% of its revenue being fee for service.

DDLS has a historic 3 year average revenue of \$37.1m, EBITDA of \$2.0m and EBIT of \$1.3m. Pursuant to the transaction documentation, AWN has agreed to purchase all the issued share capital in DDLS for a net purchase price of \$4.7m payable in tranches on or before 30 June 2018, funded from existing financial capacity. The transaction documentation contains customary warranties, limitations and restraints for a transaction of this nature.

The acquisition of DDLS is part of AWN's strategy to build an education group that is run in accordance with our modus operandi and tempo. It sees the formation of a new education platform, EdventureCo, that will encompass Everthought Education, AWN's existing building and construction training business, and DDLS.

The focus of the AWN and EdventureCo team is now to on-board and integrate DDLS with EdventureCo, underpinned by the introduction of an operating platform comprising common enterprise systems, processes and protocols as appropriate, and to take advantage of the significant scope for operational engineering and optimisation.

**Sydney**  
Level 11, 153 Walker Street  
North Sydney, NSW 2060  
Australia  
+61 2 8083 9800

**Brisbane**  
Level 11, 110 Mary Street  
Brisbane, QLD 4000  
Australia  
+61 7 3182 3200

**London**  
91 Wimpole Street  
London, W1G 0EF  
United Kingdom

**San Francisco**  
Suite B300  
100 Shoreline Highway  
Mill Valley, CA 94941  
USA

**Los Angeles**  
1221 Hermosa Avenue  
Hermosa Beach CA 90254  
USA

**Singapore**  
Level 36, UOB Plaza 1  
80 Raffles Place  
Singapore 048624

**Manila**  
Unit 10A, 5th Avenue cor.  
26th Street E-Square  
Crescent Park West  
Bonifacio Global City  
Taguig, Philippines

ACN 103 472 751

info@arowanaco.com  
www.arowanaco.com



Further details of AWN's education strategy and the DDLS acquisition are set out in the attached presentation.

On behalf of the Board of AWN,



Tom Bloomfield  
Company Secretary

**AROWANA**

**Arowana International Limited**

**Education Strategy & Acquisition Update**

6 December 2017



# Disclaimer

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This presentation:

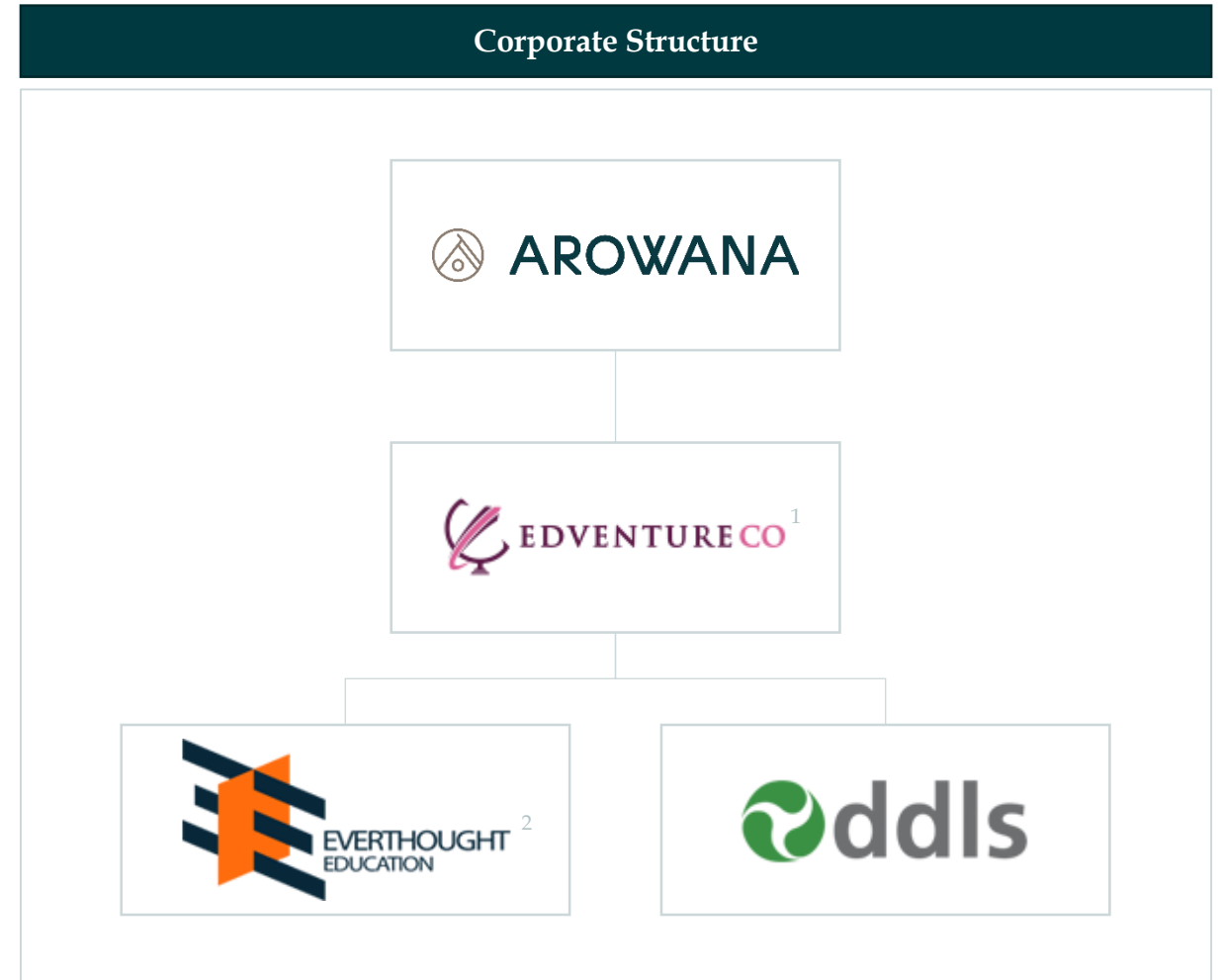
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# EdventureCo: new platform brand

- EdventureCo is Arowana's new education platform brand that encompasses:
  - Everthought Education: Awn's existing building & construction training business
  - DDLS: Australia's largest information & communications technology (ICT) training business
- Senior leadership team has been recruited with deep experience in vocational education, led by Sean Steele
- DDLS is a highly regarded national brand that has operated for over 25 years and is 100% fee for service revenue
  - 6 campuses in every mainland state of Australia and ACT
  - Blue chip client base of governments and corporates including Department of Defence, AFP, CSIRO, ATO, Telstra, ANZ & CBA
  - Delivers certified courses for Microsoft, Cisco, Citrix, CompTIA, EC-Council, PMI, VMware & many others
- Acquisition being consummated at net purchase price of \$4.7m
  - Purchase price payable in tranches on or before June 2018
  - Historic 3 year average revenue of \$37.1m, EBITDA and EBIT of \$2.0m and \$1.3m respectively
  - Significant scope for operational engineering and optimisation



#### Notes:

1. EdventureCo Pty Ltd is a wholly owned subsidiary of Awn
2. Everthought Education comprises Everthought Education Brisbane RTO 32438 & Everthought Education Perth RTO 51681 CRICOS 02898C

<b>Services</b>	<ul style="list-style-type: none"><li>▪ Core offering of public scheduled courses run across 6 campuses nationwide covering vendor certified technical training and customer specific systems training across ICT, process management and professional development</li><li>▪ Additional services offered by DDLS include course design, course development, training needs analysis, project management, learning management systems and customer proprietary application training</li></ul>
<b>Learning Methodology</b>	<ul style="list-style-type: none"><li>▪ DDLS offers a blended learning strategy of e-learning, instructor led and virtual training, integrating different modes of delivery and styles of learning to deliver cost effective outcomes</li><li>▪ An active learning methodology is adopted based on agreed outcomes, that is highly interactive, has a strong practical basis and emphasises the on-the-job application of tools and techniques that can be used immediately</li></ul>
<b>Delivery</b>	<ul style="list-style-type: none"><li>▪ The company has 85 employees and over 150 contract trainers</li><li>▪ Training is delivered to over 11,000 trainees per year</li><li>▪ Facilities include 45 fully equipped classrooms, 500 networked workstations and cutting-edge telepresence solutions</li></ul>
<b>Track Record</b>	<ul style="list-style-type: none"><li>▪ Founded in 1987, DDLS is a multi-award winning training provider including 5 x Microsoft Australia Partner Awards, 2 x Cisco ANZ Learning Partner of the Year and 6 x Citrix Authorised Learning Centre of the Year ANZ</li><li>▪ DDLS has completed one of the largest client systems training projects in Australia, successfully delivering in excess of 22,000 training days to 8,000 staff, through a mix of 17 different course types, nationwide</li></ul>
<b>Partnerships &amp; Accreditations</b>	<ul style="list-style-type: none"><li>▪ DDLS is one of only two Microsoft Gold Learning Partners in the Asia Pacific</li><li>▪ Additional accreditations include Cisco Learning Solution Partner, VMware Authorised Training Centre, Citrix Authorised Learning Centre, Check Point Authorised Training Centre and ITIL Authorised Training Organisation</li></ul>

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THE END

