AROWANA

30 August 2018

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

Subject: Investor Presentation for year ended 30 June 2018

The Directors of Arowana International Limited (ASX: AWN) are pleased to release the Investor Presentation in relation to the accompanying Annual Report for the year ended 30 June 2018.

On behalf of the Board of AWN,

Cameron Fellows
Company Secretary

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

AROWANA

Arowana International Limited

2018 Full Year Results Presentation

30 August 2018

Disclaimer

The information in this presentation is general information about Arowana International Limited and is current only at the date of this presentation. This presentation:

- is not an offer or recommendation to purchase or subscribe for securities in Arowana International Limited, nor is it an invitation to any person to acquire securities in Arowana International Limited;
- is not personal advice and does not take into account the potential and current individual investment objectives or the financial situation of investors; and
- contains information in summary form and does not purport to be complete.

While all reasonable care has been taken in the preparation of this presentation, Arowana International Limited is not responsible for any errors nor misstatements. To the full extent permitted by law, no representation or warranty is made, and any and all liability is disclaimed, in relation to the accuracy or completeness of any statement, opinion, forecast or information contained in this presentation.

Any references in this presentation to “underlying” information is to non-IFRS financial information prepared in accordance with ASIC Regulatory Guide 230 (Disclosing Non-IFRS Financial Information). Non-IFRS financial information has not been subject to audit or review.

Certain statements in this presentation may constitute forward-looking statements. Forward looking statements are neither promises nor guarantees and involve known and unknown risks, uncertainties and other factors which may cause actual results to vary materially from any projection, future results or performance expressed or implied by such forward-looking statements.

AROWANA

Executive Summary

FY2018 Business Unit Overview

Enterprise Office	Operating Companies	Funds Management
Board	vivopower	AROWANA FUNDS MANAGEMENT
Leadership		AROWANA AUSTRALIAN SPECIAL INCOME OPPORTUNITIES FUND
Team	EdventureCo	AROWANA[1] CONTRARIAN VALUE FUND
Arowana University		
Other	THERMOSCAN FOR ASSET, FOR LIFE	AROWANA AUSTRALASIAN SPECIAL SITUATIONS FUND (in realisation mode)

1. Formerly Arowana Australasian Value Opportunities Fund Limited. Name change to Contrarian Value Fund Limited (ASX: CVF) was approved by shareholders at the Company's Annual General Meeting held on 29 Nov 2017.

FY2018 Enterprise Priorities

VivoPower International	Deliver on FY2018 forecasts and drive investor relations	✗
EdventureCo	Scale up platform (with transformational acquisition) and secure strategic partnerships	✓
Arowana Funds Management	Scale up to achieve total FUM of A$200m	✗
Co-Investment Partnerships	Secure Australian and international strategic co-investment partnerships (for existing businesses)	✓
Artificial Intelligence Unit	Complete build out of in-house and outsourced capabilities (note: change from Data Analytics unit)	✓
Enterprise Office	Complete marketing and branding upgrade and secure B Corp accreditation	✓

FY2018 Executive Summary

Group revenue growth driven primarily by EdventureCo and Funds Management	• Statutory operating revenue up 44% to $80.6m; underlying consolidated group revenue up 36% to $83.0m • Statutory consolidated EBIT down to $30.0m loss; underlying consolidated group EBIT down to $9.2m loss • EBIT result reflects sharply reduced solar development profits, non-cash impairment write-downs following disposal of surplus solar assets, growth opex investment in education and funds management, offset by ACVF performance fee and AASSF income
Group balance sheet reflects investment in DDLS and solar projects	• Group cash position as at 30 June 2018 of $5.0m (versus $18.4m as at 30 June 2017) • Change in net cash primarily reflects further investment in solar projects and opex outflows to fund growth across business units • Underlying NTA of $0.51 per share; statutory NTA of $0.16 per share
VivoPower strategic review completed with focus on profitable realisation of projects	• VivoPower's statutory EBIT loss of ($23.5m) reflects reduced development fee revenue due to Trump tariff uncertainty in the US and non-cash impairment write-downs (from sale of surplus assets) • AWN continues to hold 60.9% shareholding of NASDAQ listed VivoPower and hence consolidates its results • Strategic review completed resulting in focus on monetisation of projects, cost base reduction and driving further Aevitas growth
EdventureCo platform established with DDLS acquisition	• Completed transformational acquisition of DDLS Australia, the largest ITC training company in the Asia Pacific in December 2017 • Part-year contribution from DDLS acquisition drove 706% increase in EdventureCo group revenue to $25.6m for FY2018 • DDLS results have significantly exceeded expectations since acquisition, with marquee partnerships signed (Microsoft, Google etc)
Funds Management division delivered profitable growth	• ACVF delivered significant uplift in revenue and EBIT from performance fee income crystallised as at 30 June 2018 • AASSF1 delivered strong returns in excess of 20% from its investment in convertible note securities realised in December 2017 • ASIOF 1 commenced earning fee income in May 2018 following completion of Founders Class raising

B Corp accreditation was secured in FY2018 following a rigorous 18 month review of our environmental, social and governance (ESG) systems and processes

NOTE: References to "underlying" information is to non-IFRS financial information prepared in accordance with ASIC Regulatory Guide 230 (Disclosing non-IFRS financial information) issued in December 2011. Non-IFRS financial information has not been subject to audit or review

FY2018 Statutory Results Overview

Period Ended	30 June 2018	30 June 2017 [4]	vs PCP [1,2] (%)	Comments
All figures in A$m				
Operating Revenue	80.6	56.0	*44*	Due to contribution from VivoPower's Aevitas unit, Thermoscan, EdventureCo and AFM
Interest Income	0.2	1.3	*(83)*	Interest income from Aevitas convertible notes now eliminated due to acquisition
Total Income	80.8	57.3	*41*	Due to contribution from VivoPower's Aevitas unit, Thermoscan, EdventureCo and AFM
Other Income	0.2	12.5	*(99)*	Prior period included non-recurring gains on sale of investments
EBITDA	(26.5)	14.9	*nmf*	Reduced solar development profits and continued opex investment into AFM and EdventureCo divisions, offset by $5.0m CVF performance fee income
EBIT	(30.0)	12.0	*nmf*	Increase in D&A due to amortisation of acquired intangibles in operating companies
PBT	(31.3)	12.8	*nmf*	Includes net interest expense re: bridging finance
Tax	(5.5)	8.7	*nmf*	Primarily represents taxable losses generated by VivoPower during the period
NPAT	(25.8)	4.1	*nmf*	NPAT from continuing operations
EPS	(7.2) cents	0.9 cents	*nmf*	
DPS (paid)	0.3 cents	0.6 cents	*(50)*	
NTA per share [3]	15.8 cents	32.5 cents	*(51)*	Refer Appendices for breakdown of statutory and underlying NTA

1. PCP represents "previous corresponding period"
2. *nmf* represents "no meaningful comparison"
3. Given VivoPower International and its subsidiaries (including VivoPower Australia and Aevitas Group) are consolidated into AWN, the NTA per share does not reflect AWN's 60.9% shareholding in VivoPower International, the $25.7m shareholder loan to VivoPower International PLC and its $26.2m Aevitas hybrid securities holdings (please see Underlying NTA in the appendices)
4. Amounts classified in 2018 as relating to discontinued operations have been reclassified in the prior year to provide consistency with the current presentation

NOTE: Numbers may not compute exactly due to rounding

FY2018 Underlying Results Overview

Period Ended	30 June 18	30 June 17	vs PCP (%)	Comments
All figures in A$000s				
VivoPower International	47,610	52,766	*(10)*	Decrease due to reduction in solar project developer fees offset by full year contribution from Aevitas (acquired 29 Dec 2016)
EdventureCo	25,638	3,525	*627*	Material increase due to part-year contribution from acquisition of DDLS (acquired 5 Dec 2017)
Thermoscan	2,751	2,635	*4*	Strong growth supported by effective client retention program. Increase achieved despite technician shortages
Arowana Funds Management	6,447	1,045	*517*	Material increase due to ACVF performance fee income and early redemption uplift on disposal of Evolution convertible notes
Enterprise Office	536	1,027	*(48)*	
Total Revenue	**82,982**	**60,998**	**36**	
VivoPower International	(3,785)	22,384	*nmf*	Decrease in developer fees due to early stage nature of current solar project portfolio
EdventureCo	1,013	23	*nmf*	Reflects strong part-year contribution from DDLS following implementation of onboarding and integration strategy
Thermoscan	916	701	*31*	Management focus on improved utilisation rates
Arowana Funds Management	814	(762)	*nmf*	Impact of $5.0m CVF performance fee income offset by increased overhead due to investment in expansion
Enterprise Office	(4,531)	(5,293)	*14*	Increase in allocation of EO staff time to operating businesses to support continued domestic and international expansion
Total EBITDA	**(5,573)**	**17,053**	***nmf***	
VivoPower International	(4,220)	20,918	*nmf*	Representing amortisation of intangibles (customer contracts etc) following acquisition of Aevitas
EdventureCo	(1,990)	(1,338)	*(49)*	Depreciation on fixed assets and amortisation on acquired intangibles (supply contracts, course fees & student contracts)
Thermoscan	829	567	*46*	Reflects depreciation of vehicle fleet
Arowana Funds Management	814	(762)	*nmf*	No allocation of depreciation to this business unit
Enterprise Office	(4,662)	(5,374)	*13*	Depreciation on fixed assets and amortisation on brand name
Total EBIT	**(9,229)**	**14,011**	***nmf***	
Realised FX gains	96	804	*(88)*	Realised FX gains relating to ordinary course of business
Interest Income	220	1,316	*(83)*	Primarily represents interest earned on securities in the AASSF I portfolio (Evolution) prior to redemption during Dec '17
Interest Expense	(1,484)	(535)	*(177)*	Includes interest incurred within operating companies and also on bridging finance
Net Interest Income	(1,264)	781	*nmf*	
Total underlying PBT	**(10,397)**	**15,596**	***nmf***	
Tax benefit / (expense)	5,547	(8,689)	*nmf*	
Underlying Group NPAT	**(4,850)**	**6,907**	***nmf***	

1. Divisional EBIT excludes any internal management fees
2. Includes adjustments to exclude the impact on non-recurring items (refer 'Reconciliation of Statutory to Underlying Results' on page 31 of this presentation for further detail).
3. Numbers may not compute exactly due to rounding

NOTE: References to "underlying" information is to non-IFRS financial information prepared in accordance with ASIC Regulatory Guide 230 (Disclosing non-IFRS financial information) issued in December 2011. Non-IFRS financial information has not been subject to audit or review

FY2018 Statutory Balance Sheet Overview

As at		30 June 2018	30 Jun 2017	vs PCP (%)
All figures in A$m				
Shares on Issue	#m	158.2	158.2	-
Cash	A$m	5.0	18.4	*(73)*
Net Cash / (Net Debt)	A$m	(1.0)	12.6	*Nmf*
NTA / Share	$ / share	0.16	0.33	*(51)*

- Shares on issue remains unchanged since 1 July 2017
- Cash balance has decreased from $18.4m at 30 June 2017 to $5.0m as at 30 June 2018:
  - Detailed cash movement breakdown is set out in the Appendices
  - The decrease in the cash balance primarily reflects further investment in solar projects and operating cash outflows to fund growth across business units, offset by investment proceeds received from the redemption of the Group's investment in Evolution Group Holdings
- Debt (primarily representing VivoPower's drawdown on bridge finance facilities) is in line with the prior period
- NTA per share has declined since 30 June 2017:
  - Detailed NTA per share breakdown is set out in the Appendices
  - Decrease primarily due to shift in value from cash and other liquid investments to intangibles following the acquisition of operating subsidiaries
  - Acquisition of DDLS Australia Pty Ltd has resulted in a decrease in net tangible assets due to deferred consideration payable to the vendor and the acquisition of its deferred income liabilities

FY2018 Statutory NTA Breakdown

NTA Breakdown	A$	Comments
Group Cash	4,977,450	Includes cash held by VivoPower International PLC
VivoPower Development LLC Shareholding	19,140,536	At equity accounted valuation, representing investment in early stage US solar projects
Assets classified as held-for-sale	19,889,298	VivoPower International US solar projects, Australian solar assets and Thermoscan
AASSF I Investments:		AASSF I is the Arowana Australasian Special Situations Fund I
▪ Viento (VIE) Shareholding	324,400	At equity accounted valuation
Net Working Capital	(15,465,971)	Receivables less payables and provisions
PPE	4,643,559	At cost (net of depreciation)
Other Assets	2,355,449	At cost (primarily security deposits re: DDLS property leases)
Other Liabilities	(4,916,418)	Non-current employee provisions and deferred consideration re: business combinations
Borrowings	(5,949,856)	VivoPower bridge finance (SolarTide LLC) and Thermoscan / VivoPower finance leases
Net Tangible Assets ($)	**24,998,447**	**Excludes goodwill, intangibles and tax assets**
Total Shares on Issue (#)	**158,170,799**	**As at 30 June 2018**
NTA per share (cents)	**15.8 cents**	**As at 30 June 2018**

Alternative valuation approach is Sum of the Parts incorporating net cash, investments and applying earnings based multiples to the Operating Companies and the Funds Management division, net of Enterprise Office costs

FY2018 Underlying NTA Breakdown

NTA Breakdown	A$	Comments
Group Cash [1]	2,409,971	
Investment in VivoPower International PLC	25,887,869	60.9% of issued capital at 30 June 2018 valuation [2]
VivoPower Aevitas Exchangeable Securities	26,235,726	At redemption value
USD Loans Receivable	25,696,474	From VivoPower International PLC at 30 June 2018
Assets classified as held-for-sale	2,726,433	Thermoscan Inspection Services Pty Ltd - assets and liabilities held as available-for-sale
AASSF I Investments:		AASSF I is the Arowana Australasian Special Situations Fund I
▪ Viento (VIE) Shareholding	324,400	At equity accounted valuation
Net Working Capital [1]	(4,177,347)	Receivables less payables and provisions
PPE [1]	2,826,553	At cost (net of depreciation)
Other Assets [1]	2,352,772	At cost (primarily security deposits re: DDLS property leases)
Other Liabilities [1]	(4,072,329)	Non-current employee provisions and deferred consideration re: business combinations
Borrowings [1]	-	No underlying debt at 30 June 2018
Net Tangible Assets ($)	**80,210,522**	**Excludes goodwill, intangibles and tax assets**
Total Shares on Issue (#)	**158,170,799**	**As at 30 June 2018**
NTA per share (cents)	**50.7 cents**	**As at 30 June 2018**

Alternative valuation approach is Sum of the Parts incorporating net cash, investments and applying earnings based multiples to the Operating Companies and the Funds Management division, net of Enterprise Office costs

1. Excluding assets and liabilities of VivoPower International PLC and its controlled entities
2. The valuation implied by the market transaction price of USD $2.34 per share.

AROWANA

Enterprise Office

Enterprise Office | FY2018 Commentary

Advisory Board and Board of Directors	• Appointed venture capitalist, technology entrepreneur and machine learning specialist, Mr. Ed Fernandez, as a Non-Executive Director during April 2018; John Moore AO retired in June 2018 and Tony Kinnear resigned in August 2018 • Appointed Dr Tara Swart, a world leading neuroscientist, leadership and performance coach to Advisory Board and as Chief Neuroscience Officer
Executive leadership and team composition	• Art Russell appointed as group CFO based in London (and seconded to VivoPower International PLC) in Nov 2017 • Continued focus on building up operating engineering and artificial intelligence (AI) capabilities • Changed key recruitment criteria from focus on reputation and relationships to courage (grit), character and creativity
Arowana University (AU) AI capability	• Introduced neuroscience based tools for leadership team members • Commenced build out of artificial intelligence, algorithm and machine learning knowledge base and tool kits • Commenced revision and update of Arowana Growth Enterprise Model (GEM) manual, our scaling up guidebook
Branding, marketing, PR & IR	• Rollout of new brand and logo completed in August 2017 • Strategic digital marketing plan has been developed and execution has commenced across digital platforms • Improved PR and IR engagement initiatives are also being executed upon
International B Corp accreditation	• Impact investing remains one of the fastest growing areas of asset management, with UK/Europe & US family offices leading • B Corp accreditation is increasingly becoming a pre-requisite for impact investment capital allocators • Arowana gained its B Corp accreditation during May 2018 following a comprehensive and intensive due diligence program

The Arowana Enterprise Office is the "nerve centre" of Arowana International and we will be further investing in leadership development, personnel, technology and risk management so that it can better help our business units to scale up rapidly

FY2019 Enterprise Priorities

VivoPower International	Crystallise intrinsic portfolio value
EdventureCo	Drive profitable growth across new markets
Arowana Funds Management	Deliver profitable FUM growth across all products
Thermoscan	Realise maximum value from potential sale
Machine Learning Unit	Complete build out of in-house and outsourced capabilities
Enterprise Office	Transform Enterprise Office into profit centre

AROWANA

Operating Companies

VivoPower International | Business overview

VIVOPOWER INTERNATIONAL

An international solar power business

Solar development pipeline of > 1.8GW of solar projects across the US and Australia

B Corp Certified

AWN has controlling 60.9% shareholding

VivoPower is an international solar power focussed business with a 1.8GW solar development pipeline that is one of the largest in North America

VivoPower International | FY2018 results commentary

	Statutory year ended 30 June 2018	Underlying year ended 30 June 2018	Underlying year ended 30 June 2017	Underlying % change FY2018 vs FY2017
All figures in A$000's				
Revenue	47,610	47,610	52,766	(10)%
EBITDA	(23,101)	(3,785) [1]	22,384	nmf
EBIT	(23,536)	(4,220) [1]	20,918	nmf

- Decrease in revenue primarily due to a reduction in solar project development fees. The previous year's revenue incorporated material development fees in relation to the completion of 2 new solar projects (NC 31 & 47), however no new projects were completed during FY2018 due to various industry headwinds (uncertainty re: Trump's tariffs, competition for off-take contracts and low power prices). The reduction in development fee income was offset by a full year's contribution from Aevitas (acquired 29 Dec 16) which grew revenue by 47% during FY18
- VivoPower's statutory EBIT for FY2018 was significantly impacted by the non-cash impairment write-down ($13.0m) of its investments in NC 31 & 47 following the disposal of its remaining interests in these projects to the majority investor, in addition to a number of non-recurring restructuring charges
- Leadership changes were made with Carl Weatherley White appointed group CEO in September 2017 and Art Russell appointed group CFO in November 2017 (on secondment from Arowana International); VivoPower is suing former CEO, Dr. Philip Comberg for damages amounting to US$27m
- Following the change of leadership, VivoPower also executed a strategic shift to a global solar power developer, co-owner, producer and operator model in which it will develop, co-own and operate solar projects. VivoPower will partner with developers and providers of long-term capital, rather than acquiring solar projects from third party developers and transferring them to long-term owners under the previous build, transfer, operate or "BTO" model
- VivoPower has continued to deploy capital towards developing its US development portfolio with JV partner Innovative Solar Systems (ISS JV), which is forecast to develop 1.8 GW of solar assets by 2021. Over 50% of the projects within the ISS JV have now been progressed to an advanced stage, with approximately 75% of projects expected to complete within the next three years
- Pursuant to a strategic review, VivoPower has announced it intends to drive the profitable monetisation of its US development portfolio during FY2019 and is actively considering interest from multiple parties. Significant volumes of new capital continue to enter the renewables development space.
- VivoPower also confirmed it has achieved a US$3.4m reduction in annualised overhead run-rate.

1. Includes adjustments to exclude the impact of non-recurring items

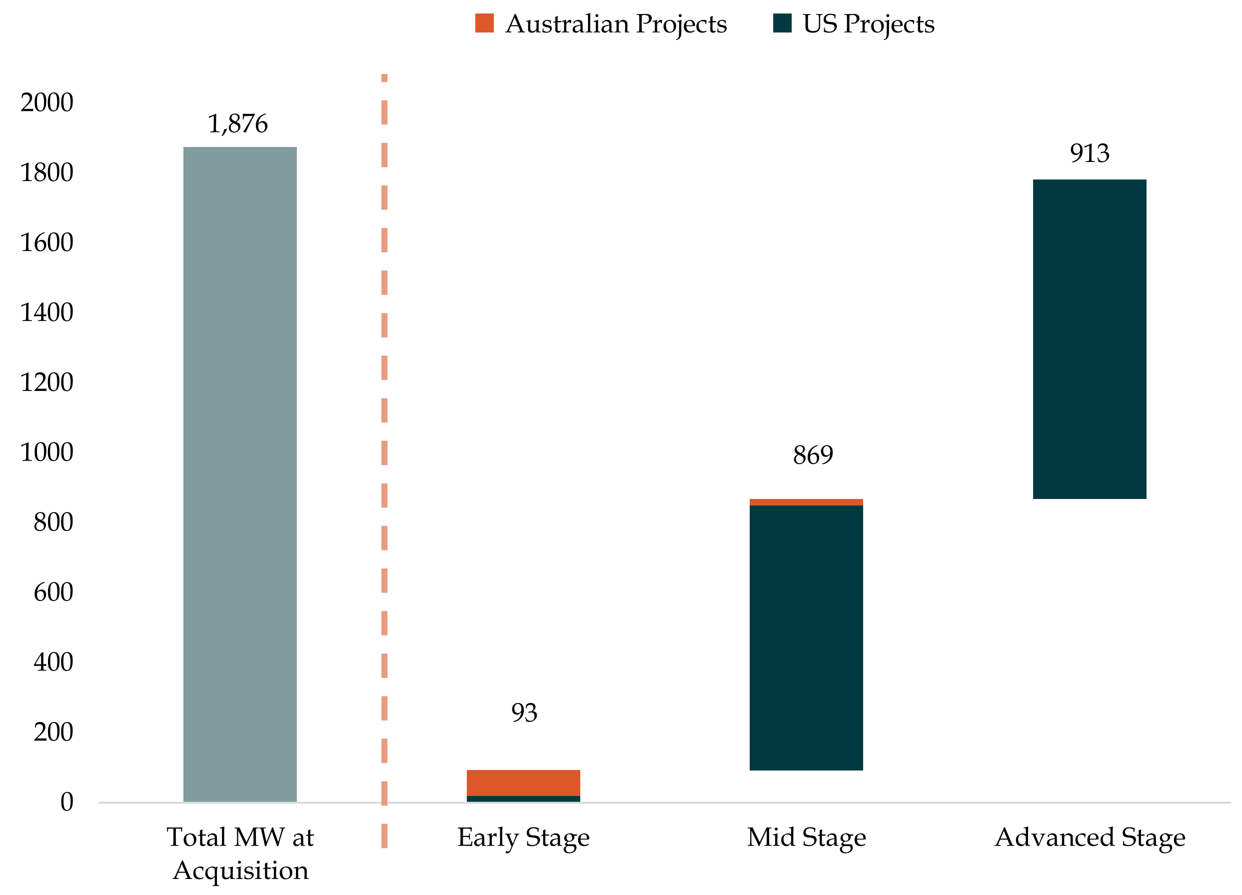
NOTE: References to "underlying" information is to non-IFRS financial information prepared in accordance with ASIC Regulatory Guide 230 (Disclosing non-IFRS financial information) issued in December 2011. Non-IFRS financial information has not been subject to audit or review

VivoPower International | Significant US portfolio advancement

Stages of Development

- **Early Stage**
  - Land Control
  - Preparing for Permit and Transmission Applications
- **Mid Stage**
  - Transmission Interconnection Study
  - Permitting
  - Resource Analysis
- **Advanced Stage**
  - Interconnection Agreement
  - Power Purchase Agreement
- **Construction Stage**
  - Engineering
  - Procurement
  - Construction
- **Operations Stage**
  - Commissioning

Over 50% of projects have progressed to an advanced development stage in FY2018



VivoPower International | Aevitas unit now has multiple growth drivers

Solar Farms

Providing solar electrical and EPC services to fast growing sector

Data Centres

Providing generators to fast growing market

Aged Care

Providing generators and support services to growing sector

Hospitals

Leveraged to hospital capex boom in NSW

Water

Exposure to growth in water infrastructure capex spend

Government

Leveraged to all time record NSW government expenditure

Infrastructure

Leveraged to biggest NSW infrastructure boom in history

Mining Services

Rebound in traditional mining services market

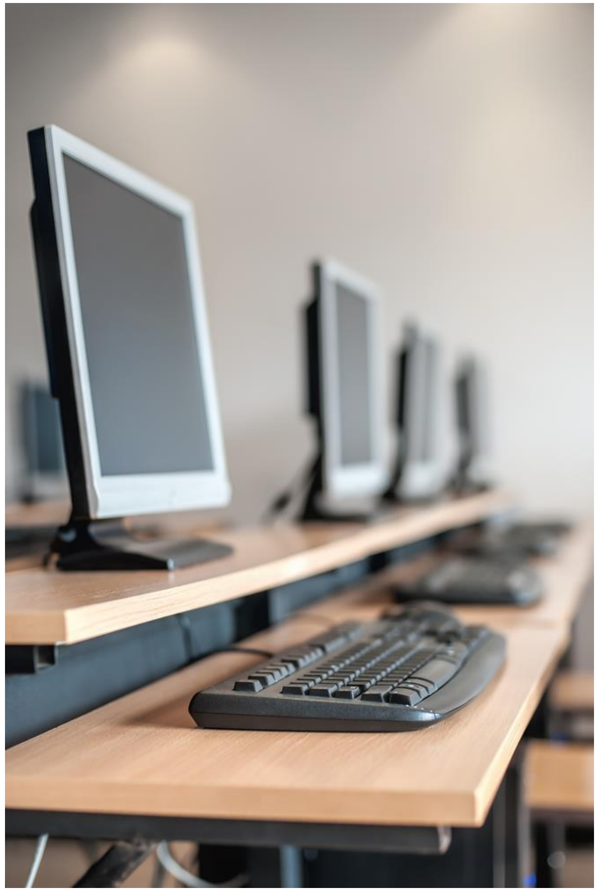
Aevitas growth outlook is underpinned by multiple tailwinds, due to successful execution of industry diversification strategy

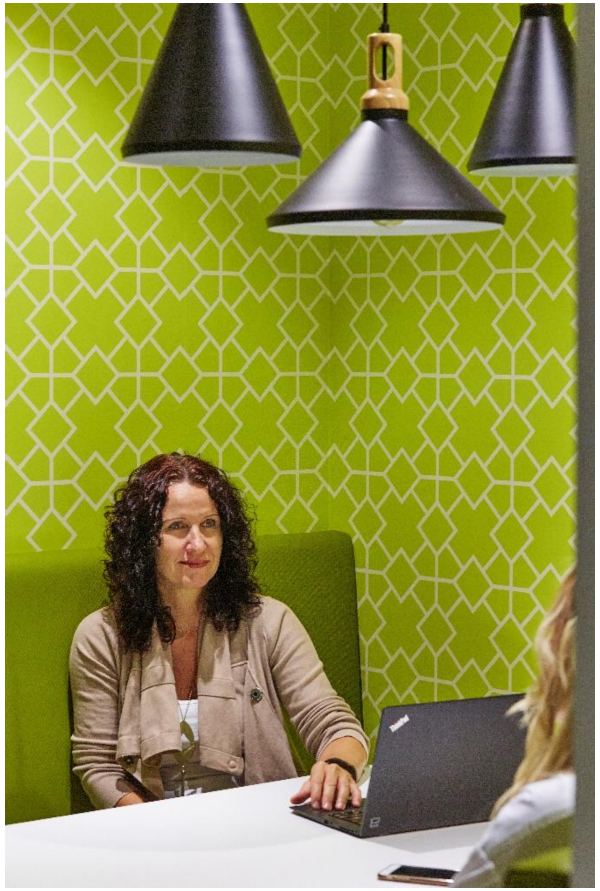
EdventureCo Group | Business overview

DDLS
Australasia's largest provider of information and communications technology (ICT) training

Everthought Education
Blue collar training provider for building and construction skills to International and Australian students

AWN controls with 100% shareholding





EdventureCo is a leading vocational and professional education and training platform established in Australia that is expanding across South East Asia

EdventureCo Group | FY2018 results commentary

All figures in A$000's	Statutory year ended 30 Jun 2018	Underlying year ended 30 Jun 2018	Underlying year ended 30 Jun 2017	Underlying % change FY2018 vs FY2017
Revenue	26,002	25,638	3,525	627%
EBITDA	415	1,013 [1]	23	nmf
EBIT	(2,588)	(1,990) [1]	(1,338)	(49%)

- EdventureCo is Arowana's vocational and professional education and training platform, encompassing the ICT training business, DDLS, and the Trades training business, Everthought Education. It trains over 15,000 students per year from 8 campuses across Australia
- Arowana has been executing a buy-and-build strategy to scale up EdventureCo, having acquired 4 businesses to date with a focus on sectors with high employment and skills shortage demands. Less than 5% of revenue is sourced from government funding
- Results above reflect a full year contribution from Everthought Education entities and a 7 month contribution from DDLS (acquired on 5 December 2017), with ongoing opex investment in the leadership team and shared services that provide a platform for scaling up and onboarding new acquisitions
- EBIT result for FY2018 includes $2.5m of non-cash amortisation of identifiable intangibles
- A comprehensive onboarding and integration of DDLS was undertaken following acquisition which has delivered in excess of $2.0m of annualised cost savings. In addition, a refresh of vendors has been undertaken seeing the addition of new vendors including Google Cloud and SAP
- Everthought Education has grown its Brisbane presence driven by strong growth in domestic apprenticeships and new international enrolments, while the Perth campus continues to be a leading destination for international students seeking trades training
- ASEAN expansion is a key part of EdventureCo's growth strategy and preliminary steps have been taken to expand delivery into the ASEAN region with an expected launch date in the second half of FY2019

1. Includes adjustments to exclude the impact of non-recurring items

NOTE: References to "underlying" information is to non-IFRS financial information prepared in accordance with ASIC Regulatory Guide 230 (Disclosing non-IFRS financial information) issued in December 2011. Non-IFRS financial information has not been subject to audit or review

EdventureCo Group | AI application example

- DDLS had 85 employees and over 150 contract trainers spread over 7 locations around Australia at the time of acquisition
- A mandatory element of Arowana's acquisition due diligence program is assessment of an organisation's culture
- It was imperative to understand the culture of the organisation as Arowana executed our onboarding and integration plan that would result in significant change across the business

- Based on employee surveys from periods prior to acquisition, Google's Machine Learning services were utilised to conduct a sentiment analysis of responses
- We identified 3 recurring themes and the single biggest driver of negative sentiment across DDLS
- The analysis also assisted us to ascertain what would be the most positive and negative drivers moving forward

- Based on the sentiment analysis, EdventureCo management was able to customise its onboarding and integration plan to take into account key positive and negative drivers
- A national meet and greet was conducted with an emphasis on delivering a transparent and open communication style
- In the first 6 months, results was significantly above budget, with annualised cost savings exceeding A$2m realised but concurrently culture and sentiment improved

Arowana deployed Machine Learning tools as part of its due diligence process in relation to the DDLS acquisition

Thermoscan | Business overview

THERMOSCAN
FOR ASSET, FOR LIFE

THERMOSCAN
FOR ASSET, FOR LIFE

THERMOSCAN INSPECTION SERVICES

Long established Australian thermography company

Market leader in its field with operations and clients nationally

AWN controls with 100% shareholding

Thermoscan is Australia's leading thermal imaging service that has built up a diverse and loyal client base of over 1,600 customers and will be leveraging its market leading position to expand into solar inspection

Thermoscan | FY2018 results commentary

	Statutory year ended 30 Jun 2018 [1]	Underlying year ended 30 Jun 2018	Underlying year ended 30 Jun 2017	Underlying % change FY2018 vs FY2017
All figures in A$000's				
Revenue	2,751	2,751	2,635	4%
EBITDA	916	916 [2]	701 [2,3]	31%
EBIT	829	829 [2]	567 [2,3]	46%

- Material increase in earnings primarily due to management's focus on improving utilisation rates, including the introduction of a more effective client retention pipeline process and a targeted increase in the number of strata site clients which can be serviced more efficiently
- The business is benefiting from multiple business development initiatives and is well-placed to generate growth through leveraging increasingly stringent government OH&S regulations and insurance requirements
- Completion of the Australian Building Management Accreditation during the year has materially increased job pipeline and underpins strong revenue growth outlook from FY2019 onwards
- The business continues to generate strong positive cashflow with debtor days decreasing from 56 days at 30 June to 45 days at 30 June
- Significant opportunities to expand service offering through partnerships, including strata management, abseil inspection services, solar strategy, specialised training, pest control and data monetisation

1. During the year ended 30 June 2018, the Board determined that Thermoscan was not in line with the future strategy and direction of the Group and has therefore committed to a plan to pursue an orderly prospective exit from the business. Thermoscan has therefore been classified as a discontinued operation for the purposes of the FY2018 Annual Report and its results are represented within a single line item ('Profit after income tax from discontinued operations') in the Consolidated Statement of Profit or Loss
2. Excludes any internal management fee charges
3. Includes adjustments to exclude the impact of non-recurring items

NOTE: References to "underlying" information is to non-IFRS financial information prepared in accordance with ASIC Regulatory Guide 230 (Disclosing non-IFRS financial information) issued in December 2011. Non-IFRS financial information has not been subject to audit or review

Thermoscan | AI application example

THERMOSCAN
FOR ASSET, FOR LIFE

- Australian utility-scale solar is forecast to grow from 0.5GW of installed capacity in 2017 to 4.8GW of installed capacity by 2020
- Most of these solar farms are expected to be in regional Queensland, New South Wales as well as Victoria and to a lesser extent, Western Australia

- Maintenance of solar farms traditionally involves periodic human inspections for fault identification and localisation on a solar panel array
- The advent of drone-enabled thermography offers a faster, more effective method of fault identification and localisation

- Thermoscan is in the process of consummating partnerships to enable it to conduct drone enabled thermographic inspection of solar farms around Australia
- In addition, it is also in the process of implementing AI based solutions in the analysis of images from inspections

Trade buyer interest has surfaced recently due to growth prospects from technology applications such as drones and AI

AROWANA

Funds Management

Arowana Funds Management | Business overview

Vehicle	AUM	Comments
AROWANA CONTRARIAN VALUE FUND	A$101.7m at June 18[1] *(A$73.7m at Jun 17)*	▪ ACVF is a long / short equities fund that deploys data-driven research techniques to uncover unpopular and misunderstood stocks that offer contrarian value ▪ ACVF is listed on the Australian Stock Exchange as a listed investment company (LIC)
AROWANA AUSTRALASIAN SPECIAL SITUATIONS FUND	A$43.8m at Jun 18 *(A$45.7m at Jun 17)*	▪ AASSF 1 was focussed on special situations and invested across different types of securities (including convertible notes, hybrid securities, ASX shells and NASDAQ SPAC entities) ▪ Fund currently in harvest mode; winding-up mechanics are in progress
AROWANA AUSTRALIAN SPECIAL INCOME OPPORTUNITIES FUND	Founder Class raising completed; capital raising ongoing ahead of First Close	▪ ASIOF will focus on direct lending to lower-middle market businesses, leveraging the capability and pipeline of the broader Arowana platform and investment team ▪ Founders class close with limited partners' capital commitments including management. Fundraising process remains ongoing whilst the investment team seeks to complete the fund's first transaction

1. SOURCE: Unaudited Net Tangible Asset Release as at 30 June 2018, lodged by Contrarian Value Fund Limited (ASX: CVF) on 9 July 2018

Arowana Funds Management | FY18 Results commentary

AROWANA FUNDS MANAGEMENT

	Statutory year ended 30 June 2018	Underlying year ended 30 June 2018	Underlying year ended 30 June 2017	Underlying % change FY2018 vs FY2017
All figures in A$000's				
Revenue	6,447	6,447	1,045 [2,3]	517%
EBITDA	814	814	(762) [2,3]	nmf
EBIT	814	814	(762) [2,3]	nmf

- Statutory and underlying EBIT and EBITDA for the year includes the following:
  - Crystallisation of $5m performance fee income following the strong out-performance of the ACVF portfolio against the relevant benchmark for the year ended 30 June 2018; and
  - Receipt of a $0.6m early redemption uplift upon realisation of AASSF I's $3 million investment in Evolution Group Holdings.
- The increase in underlying EBIT and EBITDA is due to the impact of the material revenue items noted above and increased ACVF management fee income due to organic AUM growth, offset by a decrease in management fees following the early close and winding-up of AASSF
- Recurring management fee income is budgeted to increase during FY2019 in line with the recent launch of ASIOF and expected further fundraising activity during the year

1. Statutory results for year ended 30 June 2018
2. Excludes any internal management fee charges
3. Includes adjustments to exclude the impact of non-recurring items

Note: References to "underlying" information is to non-IFRS financial information prepared in accordance with ASIC Regulatory Guide 230 (Disclosing non-IFRS financial information) issued in December 2011. Non-IFRS financial information has not been subject to audit or review

Appendices

Underlying financial information

Explanation of underlying financial performance and position

Underlying financial information represents profit and loss information derived from the unaudited management accounts for the relevant operating entities in respect of the year ended 30 June 2018 and 30 June 2017 respectively adjusted as follows:

- To exclude non recurring revenue and cost items

References to "underlying" information is to non-IFRS financial information prepared in accordance with ASIC Regulatory Guide 230 (Disclosing non-IFRS financial information) issued in December 2011.

Non-IFRS financial information has not been subject to audit or review.

FY2018 Reconciliation of statutory to underlying results

Year ended 30 June 2018	EBIT	EBITDA
All figures in A$000s		
Statutory reporting basis	**(30,038)**	**(26,469)**
VivoPower International		
Reverse unrealised foreign exchange gains	772	772
Reverse non-cash provision for impairment on the Group's investments in NC 31 & 47 solar plants and in VivoPower Philippines	13,762	13,762
Normalisation of non-recurring restructuring expenditure	4,783	4,783
EdventureCo		
Reverse one-off proceeds received from a confidential legal settlement	(364)	(364)
Normalisation of transaction costs relating to acquisition of DDLS	164	164
Normalisation of non-recurring restructuring expenditure	798	798
Thermoscan		
Statutory results from operations reclassified to 'Profit after income tax from discontinued operations'	829	916
Enterprise Office		
Reverse unrealised foreign exchange losses	(834)	(834)
Normalisation of project costs (principally related to the recent launch of ASIOF)	995	995
Unallocated		
Realised foreign exchange gains not allocated to business units	(96)	(96)
Underlying reporting basis	**(9,229)**	**(5,573)**

1. Numbers may not compute exactly due to rounding

NOTE: References to "underlying" information is to non-IFRS financial information prepared in accordance with ASIC Regulatory Guide 230 (Disclosing non-IFRS financial information) issued in December 2011. Non-IFRS financial information has not been subject to audit or review

Cash movement breakdown

AWN Cash Reconciliation	A$	Comments
Cash @ 30 June 2017	18,397,134	As per audited balance sheet at 30 June 2017
Cash @ 30 June 2018	5,255,287	As per audited balance sheet at 30 June 2018 (including $278k classified as held-for-sale)
Total Cash Movement	**(13,141,847)**	
Employment expenses	(37,523,287)	Group employee expenses for all consolidated entities
Other net operating cashflows	25,939,789	Includes net interest paid, non-recurring items and regular operating revenue and expenses
Solar projects	(5,941,319)	Additional investment in ISV JV, offset by net cash inflow from NC 31 & NC 47 projects
Acquisition of DDLS	1,924,604	Net cash acquired on acquisition of DDLS Australia Pty Ltd
Redemption of EGH notes	3,600,000	Proceeds received from the early redemption of Evolution Group Holdings convertible notes
Other net investing activities	(2,190,299)	Net acquisition of fixed assets and other non-current assets (including security deposits)
Net proceeds from borrowings	1,082,156	Proceeds from loans (bridging finance) and hire purchase proceeds net of loan repayments
Dividend payment	(474,512)	FY2017 final dividend of 0.3 cents per share
FX movement	441,021	Foreign exchange movements on USD bank accounts
Total Cash Movement	**(13,141,847)**	

NOTE: Breakdown above is unaudited and classifications are based on management accounts

AROWANA

Questions and Answers