

AWN HOLDINGS LIMITED

# **AWN Holdings Limited (AWN)**

## **FY2022 Financial Year Results Presentation**

19 September 2022

# Disclaimer

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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.

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AWN HOLDINGS LIMITED

## Executive Overview

# Business unit overview

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## Enterprise Office

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Board

Leadership

Team

B Corp

## Operating Companies

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*(47.5% ownership interest at 30 June 2022  
and recognised as an equity accounted  
investment)*



## Arowana Funds Management

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**AROWANA**  
FUNDS MANAGEMENT

**AROWANA**  
AUSTRALIAN SPECIAL INCOME OPPORTUNITIES FUND  
*(exited – net IRR 19.9% over life of fund ~2.5 years)*

**AROWANA**  
CONTRARIAN VALUE FUND  
*(exited – net IRR 12.8% over life of fund ~11.5 years)*

**AROWANA**  
AUSTRALASIAN SPECIAL SITUATIONS FUND  
*(in realisation mode)*

# FY2022 Executive summary | Strong growth despite COVID-19 disruptions

## Impact of COVID-19 disruptions on VivoPower offset by strong growth in EdventureCo

- Statutory operating revenue down 43% on previous corresponding period (PcP) to \$63.0m due to deconsolidation of VivoPower offset by 21% revenue growth in EdventureCo
- Statutory group EBITDA (excluding impairment provision) down to loss of \$7.9m (\$11.1m loss in PcP (excluding gain on deconsolidation of VivoPower)); underlying group EBITDA decreased to \$0.7m versus \$6.2m in PcP due primarily to impact of COVID-19 disruption on VivoPower, offset by significant earnings growth in EdventureCo

## VivoPower non-cash impairment

- VivoPower ownership interest at 47.5%
- AWN accounts for its investment as an equity accounted associate
- Pre-tax, non-cash provision for impairment of \$67.6m in current period effectively reflects a decrease in VivoPower's share price from US\$7.29 at 30 June 2021 to US\$1.39 at 30 June 2022

## VivoPower's earnings impacted by COVID-19 disruptions to both Aevitas and Tembo

- AWN recognised its equity accounted share of VivoPower's net losses during the period of \$13.4 million. VivoPower's result was impacted by:
  - Revenue decrease of 7% in comparison with PcP due primarily to COVID-19 lockdowns and associated operational disruption within both Aevitas and Tembo;
  - Non-recurring COVID-19 driven cost overrun of \$2.6m on Aevitas' Bluegrass project due to the impact of state border closures; and
  - Budgeted increase in corporate costs and growth operating expenditure to support the hyperscaling of the Tembo business.

## EdventureCo delivered strong growth despite ongoing impact of COVID-19

- EdventureCo's statutory revenue of \$61.7m was 21% ahead of PcP due to strong organic revenue growth within DDLS, AIICT and ENS and the impact of the bolt-on acquisition of Auldhouse in September 2021
- Statutory EBITDA of \$7.2m against PcP of \$5.6m (\$4.2m in PcP ex JobKeeper); underlying EBITDA increased to \$11.7m against PcP of \$10.4m (\$8.9m in PcP ex JobKeeper) reflecting revenue growth and continued margin expansion due to higher trainer utilisation rates & improved efficiencies enabled by the further rollout of digital initiatives
- Onboarding and integration of Auldhouse was successfully completed following its acquisition in September 2021

## Arowana Funds Management (AFM) completed wind-up of ASIOF delivering net IRR of 19.9%

- AFM's statutory revenues decreased to \$0.6m (\$1.0m in PcP) due to reduced management and performance fees following the members' voluntary wind-up of the Arowana Contrarian Value Fund ("ACVF") listed investment company during FY2021 and the wind-up of ASIOF during FY2022
- AFM statutory EBITDA increased to a profit of \$0.5m (\$0.7m loss in PcP) due to savings from rationalisation of cost base
- Aggregate Funds Under Management decreased to \$35.5m as at 30 June 2022 (30 June 2021: \$53.3m), reflecting the full return of capital in the Australian Special Income Opportunities Fund ("ASIOF") following the realisation of its private credit investment

### NOTE

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# FY2022 | Key updates

VivoPower International	<ul style="list-style-type: none"><li>▪ Distribution partner network for Tembo expanded to 6 continents and 50+ countries, with Electric Vehicle (“EV”) kit commitments and orders increasing to 8,000+</li><li>▪ Secured Design Services Agreement with Toyota Australia for design of electrification solutions for the Toyota LandCruiser 70</li><li>▪ Divestiture of non-core businesses within Aevitas to allow for proceeds to be re-invested in high-growth business units</li></ul>
EdventureCo Group	<ul style="list-style-type: none"><li>▪ Completed A\$16.9m Auldhouse acquisition, NZ’s largest private fee for service ICT training provider</li><li>▪ Successfully completed onboarding and integration of Auldhouse</li><li>▪ Advanced discussions with several domestic and regional bolt-on acquisition candidates (acquisition of Plain English Foundation completed post-balance date)</li></ul>
Arowana Funds Management	<ul style="list-style-type: none"><li>▪ Completed ASIOF wind-up delivering net IRR of 19.9% (gross IRR of 28.9%)</li><li>▪ Immaterial cost base for FY2023 and beyond</li></ul>
B Corp Certification	<ul style="list-style-type: none"><li>▪ Arowana successfully recertified with a significant improvement in its B Impact Score to 138.8 from 84.2; Arowana has now been recognised in the Top 50 globally for a 3<sup>rd</sup> straight year in the 2022 Real Leaders Impact Awards</li><li>▪ VivoPower successfully recertified in December 2021 and recognised by B Lab as Best for the World in 2022 for Governance</li><li>▪ EdventureCo successfully completed the B Impact Assessment verification in obtaining B Corp certification</li></ul>
Enterprise Office	<ul style="list-style-type: none"><li>▪ Implemented on-market share buyback reducing issued share count by 3.2m to 36.4m</li><li>▪ Successfully executed delisting from ASX</li></ul>

# FY2022 Statutory Results overview

Full year ended	30 June 2022	30 June 2021	vs PcP <sup>1,2</sup> (%)	Comments
<i>All figures in A\$m</i>				
Operating revenue	63.0	110.5	(43)	Decline in revenues a result of the change in accounting treatment for VivoPower (previously consolidated now an equity accounted investment <sup>4</sup> ). FY2022 revenue represents contribution from EdventureCo, AFM and AWN EO
Interest income	5.0	1.3	278	Interest accrued on Aevitas loans (a wholly owned subsidiary of VivoPower)
Total income	68.0	111.8	(39)	Contribution from EdventureCo, AFM and AWN EO
Gain on deconsolidation <sup>4</sup>	-	86.8	<i>nmf</i>	Represents the gain on deconsolidation of VivoPower at 30 June 2021
Other income	2.6	3.6	(28)	Includes unrealised foreign exchange gains
EBITDA	(7.9)	75.7	<i>nmf</i>	Includes \$13.4m share of net loss of VivoPower
EBIT	(79.5)	66.1	<i>nmf</i>	Reflects amortisation of acquired intangibles and depreciation of right-of-use lease assets and includes impairment of \$67.6m of the VivoPower investment to reflect its fair value in an active market
PBT	(76.1)	65.8	<i>nmf</i>	Includes interest expense of \$1.6m re: lease liabilities and borrowings offset by \$5.0m interest income on Aevitas loans
Tax expense	(18.6)	15.5	<i>nmf</i>	Reversal of deferred tax expense recognised as a result of gain on deconsolidation of VivoPower
NPAT	(57.5)	50.2	<i>nmf</i>	NPAT from continuing operations
EPS (cents)	(157.7)	141.8	<i>nmf</i>	Includes impact of \$67.6m VivoPower mark to market impairment
NTA (cents per share)	83.8	315.1	(73)	Reflects impact of impairment of VivoPower investment. Refer to NTA slides for breakdown

## NOTES

- PcP represents "previous corresponding period".
- nmf* represents "no meaningful comparison".
- Numbers may not compute exactly due to rounding.
- Following VivoPower's equity capital raisings during FY2021, the Company's ownership interest in VivoPower decreased to 44.2% at 30 June 2021. As a result of the dilution in its holding, the Company determined that, with effect from 30 June 2021, it no longer had the practical ability to direct VivoPower's relevant activities unilaterally and so ceased to consolidate its financial statements from that date. The deconsolidation resulted in AWN derecognising the assets and liabilities of VivoPower, and any related non-controlling interest, with the residual investment being accounted for using the equity method of accounting.

# FY2022 Reconciliation of Statutory to Underlying Results

Full year ended 30 June 2022	EBIT	EBITDA
<i>All figures in A\$000s</i>		
<b>Statutory reporting basis</b>	<b>(79,501)</b>	<b>(7,860)</b>
<b>EdventureCo Group</b>		
Reverse unrealised FX gain	(3)	(3)
Normalisation of non-recurring income and expenses	4,519	4,519
<b>VivoPower International</b>		
Include AWN share of VivoPower's underlying earnings	(8,055)	(6,783)
<b>Arowana Funds Management</b>		
Reverse unrealised FX gain	(2)	(2)
Intercompany allocation of direct expenses and corporate overhead	(367)	(367)
<b>Enterprise Office</b>		
Reverse unrealised FX gain	(2,622)	(2,622)
Normalisation of non-recurring expenses	46	46
Intercompany allocation of direct expenses and corporate overhead	367	367
<b>Unallocated</b>		
Reversal of equity accounted investment impairment provision	67,629	-
Reversal of AWN's equity accounted share of VivoPower losses	13,395	13,395
Realised foreign exchange losses not allocated to business units	14	14
<b>Underlying reporting basis</b>	<b>(4,580)</b>	<b>704</b>

## NOTES

1. Numbers may not compute exactly due to rounding.

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(Disclosing Non-IFRS Financial Information) issued in December 2011. Non-IFRS financial information has not been subject to audit or review.

# FY2022 Statutory Balance Sheet overview

As at		30 June 2022	30 June 2021	% Change <sup>1</sup>
Shares on issue	#m	36.4	39.6	(8)
Cash on hand	A\$m	7.9	16.8	(53)
Net assets	A\$m	62.2	119.9	(48)
Net cash / (net debt)	A\$m	(23.1)	4.4	<i>nmf</i>
NTA / share	\$ / share	0.84	3.15	(73)

- Gross cash balance has decreased from \$16.8m as at 30 June 2021 to \$7.9m as at 30 June 2022:
  - primarily reflects free cash flow generated by the EdventureCo business unit during the year offset by cash used to fund the acquisition of Auldhouse Computer Training Limited (Auldhouse) and loans to VivoPower to support its growth plans
  - detailed cash movement breakdown is set out in the Appendix
- Debt of \$31.3m includes right-of-use (ROU) lease liabilities (\$10.3m), convertible notes on issue (\$8.8m), \$12.0m external debt facility (to part-fund acquisition of Auldhouse) and other short-term debt facilities
- Statutory NTA per share has decreased to \$0.84 per share from \$3.15 as at 30 June 2021:
  - decrease in NTA primarily attributable to the use of cash and debt to fund the acquisition of Auldhouse (including \$18.5m of intangible assets) and the mark to market impairment of the VivoPower shareholding (based on its NASDAQ share price)
  - AWN does not engage in periodic revaluation of unlisted investments (as is common in the private alternative investment management industry)
- Detailed NTA per share breakdown is set out on the following page

## NOTES

1. *nmf* represents “no meaningful comparison”.

# FY2022 Statutory NTA breakdown (as at 30 June 2022)

NTA breakdown (all figures in A\$000s)	A\$	Comments
Group cash	7,891	Refer Appendix for cash movement breakdown
Investment in VivoPower International PLC	20,452	Equity accounted carrying value as at 30 June 2022 (based on 47.5% ownership interest)
Shareholder loan receivable <sup>1</sup>	36,509	Loans receivable from Aevitas O Holdings Pty Ltd (a wholly owned subsidiary of VivoPower)
AASSF I Investments:		AASSF I is the Arowana Australasian Special Situations Fund I
▪ Elevate Money Limited shareholding	100	Carrying value through profit or loss
Net working capital	(17,104)	Receivables and inventory less payables and current provisions
PPE	12,439	At cost (net of depreciation); includes right-of-use (ROU) lease assets
Other assets	3,349	Primarily represents bridge loan receivable from Aevitas
Other liabilities	(1,792)	Non-current employee provisions
Borrowings	(31,308)	ROU lease liabilities, convertible notes on issue and external debt (to part-fund Auldhouse acquisition)
<b>Net tangible assets (\$)</b>	<b>30,536</b>	<b>Excludes goodwill, intangibles and deferred tax assets and liabilities</b>
<b>Total shares on issue - basic (#)</b>	<b>36,440</b>	
<b>Total shares on issue - diluted (#) <sup>2</sup></b>	<b>49,365</b>	
<b>NTA per share - basic (cents)</b>	<b>83.8</b>	
<b>NTA per share - diluted (cents) <sup>3</sup></b>	<b>79.7</b>	

## NOTES

- Shareholder loans receivable from wholly owned subsidiary of VivoPower International PLC, Aevitas O Holdings Pty Ltd (USD denominated loans converted into AUD at the spot rate of 0.6889 at 30 June 2022).
- Additional 12,925,000 shares represents the assumed conversion of all convertible notes issued in February 2020 and February 2022 into ordinary shares.
- \$8.8 million is added back to net tangible assets, representing a reduction in borrowings on the assumption that all notes issued in February 2020 and February 2022 are converted into ordinary shares.

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# Enterprise Office

# Enterprise Office | FY2022 commentary

Board of directors	<ul style="list-style-type: none"><li>▪ Overwhelming support for re-election of Non-Executive Directors Claire Bibby (94%) and Ed Fernandez (94%) at AGM held in January 2022</li></ul>
Executive leadership	<ul style="list-style-type: none"><li>▪ No changes during the period</li></ul>
Team composition	<ul style="list-style-type: none"><li>▪ No net hiring in FY2022</li></ul>
Capital raise	<ul style="list-style-type: none"><li>▪ Successful completion of oversubscribed \$5.25m redeemable convertible note placement in February 2022</li></ul>
Rationalisation of cost base	<ul style="list-style-type: none"><li>▪ Significant savings made on listing fees, share registry fees and legal and professional fees</li><li>▪ Savings offset by increases in employee and various supplier costs due to inflationary pressures</li></ul>
Corporate actions	<ul style="list-style-type: none"><li>▪ Successfully delisted from the ASX during November 2021 following shareholder approval</li><li>▪ Successful completion of on-market share buyback reducing issued share count by 3.2m to 36.4m</li></ul>

AWN HOLDINGS LIMITED

## Operating Companies

VivoPower's core purpose is to provide its customers with turnkey decarbonisation solutions that enable them to achieve net zero carbon status

## Electric Vehicles



- Design and development of ruggedised, customised and/or off-road electric light vehicles (e-LVs), electric drive and power systems
- Rent or lease e-LVs to customers (opex) or sell e-LVs if customer prefers (capex)
- Fleet monitoring, repair and maintenance
- Training and change management

## Critical Power



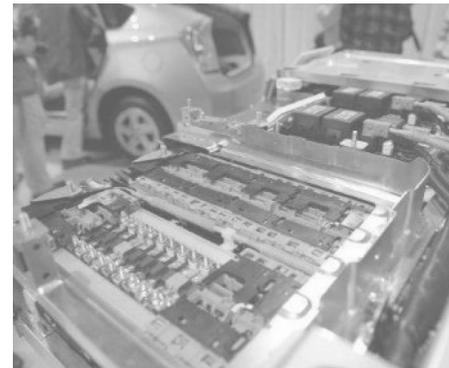
- Electric refit of customer premises
- Installation and maintenance of EV charging stations
- Emergency backup and uninterruptable power supply
- Control systems, switch rooms, and switchboards

## Solar Energy



- Design, build, and maintenance of renewable generation and microgrids
- Large-scale, small-scale, rooftop, and ground mount installations
- On-or off-site options based on site availability and suitability
- Financing solutions (lease or power purchase agreement)

## Battery Tech



- Store excess solar energy and increase total renewable penetration
- EV battery as a Service (BaaS) model:
  - Vehicle battery leasing
  - Battery repair and maintenance services
  - Battery second-life applications to support "whole-of-life" value

# VivoPower International | FY2022 results commentary



	Statutory year ended 30 June 2022	Underlying year ended 30 June 2022	Underlying year ended 30 June 2021	Underlying % change FY2022 vs FY2021
<i>All figures in A\$000's</i>				
Revenue	51,826	51,826	56,003 <sup>2</sup>	(7)
EBITDA	(29,804)	(14,235) <sup>1</sup>	(520) <sup>1, 2</sup>	<i>nmf</i>

- VivoPower's underlying revenue decreased 7% in comparison to the PcP as Australia's strict COVID-19 lockdowns extended through the majority of the period, causing delays to scheduled works for the Aevitas business units as well as significantly curtailing electric light vehicle ("e-LV") kit deliveries
- Gross profit decreased to \$0.4 million for the period, primarily due to a COVID-19 driven decline in revenue and a \$2.6 million non-recurring COVID-19 driven cost overrun on Aevitas' Bluegrass project due to the impact of state border closures
- Underlying EBITDA declined to a loss of \$14.2 million. The losses are primarily due to the aforementioned COVID-19 issues in addition to budgeted increases in corporate costs and growth operating expenditure to support the hyperscaling of the Tembo business
- VivoPower's balance sheet was fortified during FY2022 as a result of equity raising and divesture of non-core assets J.A. Martin and NDT Services
- Distribution partner network for Tembo expanded to 6 continents and 50+ countries, with EV kit commitments and orders increasing to 8,000+. Tembo executed a Design Services Agreement with Toyota Motor Corporation Australia ("TMCA") and was commercially engaged in relation to the next stage of design of electrification solutions for the Toyota LandCruiser 70 for off-road applications in Australia. Tembo also began design work on the next generation 72kWh battery platform, which is a significant upgrade on the previous generation 28kWh kit
- VivoPower's Sustainable Energy Solutions ("SES") segment comprises its customer-focused, holistic SES business. During the period, the SES division continued to progress development of its first full-suite SES project with Tottenham Hotspur Football Club ("THFC"), evaluating solar, battery and microgrid solutions for THFC's stadium and training ground in the United Kingdom. VivoPower and THFC are now discussing plans to move forward with the implementation of one or more SES projects. The SES division also signed a Memorandum of Understanding with Relectrify, a leading supplier of battery energy storage systems utilising second-life EV batteries
- VivoPower's key objective with respect to its historic solar development business continues to be the monetisation of its portfolio of US solar projects. VivoPower's portfolio of US solar projects is held by Caret LLC ("Caret"). During the current period, VivoPower completed several key initiatives aimed at enhancing the economic value of the active Caret projects, including improving lease terms for eight sites, execution of tax abatement agreement for three Electrical Reliability Council of Texas projects and advancement of interconnection processes. In August 2021, alongside the rebranding of Caret, VivoPower announced a new Power-to-X strategy for the business unit in order to maximise value with a view to a future potential exit

## NOTES

1. Includes adjustments to exclude the impact of non-recurring items.
  2. Includes proceeds of \$2,066k received in connection with the Australian Federal Government's JobKeeper Assistance Program.
  3. *nmf* represents "no meaningful comparison".
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## DDLs

Australasia's largest provider of ICT and cybersecurity certified training to industry professionals

## Auldhouse

New Zealand's largest provider of ICT and cybersecurity certified training to industry professionals

## AIICT

Online ICT training for new career entrants in accredited and bootcamp formats

## Everthought Education

Accredited vocational training in building and construction skills to domestic and international students

## ENS

Global leader in negotiation advice, support and training

AWN controls with 100% shareholding



EdventureCo delivers skills focused training to over 20,000 students per year with over 75% of revenue from online delivery

	Statutory year ended 30 June 2022	Underlying year ended 30 June 2022	Underlying year ended 30 June 2021	Underlying % change FY2022 vs FY2021
<i>All figures in A\$000's</i>				
Revenue	61,702	60,915	50,483 <sup>2</sup> 49,034 ( <i>ex-JobKeeper</i> )	21
EBITDA <sup>3</sup>	7,183	11,704 <sup>1</sup>	10,385 <sup>1, 2</sup> 8,936 ( <i>ex-JobKeeper</i> )	13

- **EdventureCo Group:** strong underlying revenue growth of 21% compared to PcP, driven by Digital Skills (including Auldhouse) division and ENS. Gross margin gains were sustained despite return of face-to-face training. The successful acquisition and integration of Auldhouse also crystallized synergies. Underlying EBITDA was up 13%, reflecting continued investment for future growth in businesses such as AIICT and ENS
- **Digital Skills (DDLs, Auldhouse and AIICT):** record revenues up 37% compared to PcP. DDLs saw strong client retention and launched new digital products, DDLs Plus and MyDDLs, building on digital initiatives undertaken previously. Auldhouse integrated its schedule with DDLs and saw investment in its three campuses, enabling an international schedule now delivered to over 50 classrooms throughout Australia, New Zealand and the Philippines. AIICT saw an expansion in its operations team and further development of its product offering. New skills development partnerships were rolled out with the Victorian Government Digital Jobs Program, and Microsoft Software and Systems Academy
- **Future Skills (Everthought Education):** revenues declined by 18% compared to PcP due to international border restrictions and slow visa processing times weighing on the international student market. A focus on the domestic market amid strong tailwind drivers in the building and construction sector saw apprenticeship enrolments grow by 133% in the reporting period and the establishment of several successful partnerships with government and national construction companies for training delivery. Diversity of revenue source remains a key strength with only 15% of revenue derived from government funding
- **Soft Skills (ENS):** revenue increased by 29% during FY2022, despite the impact of geopolitical events in Europe and ongoing uncertainty caused by COVID-19. Market share was balanced, with 40% of revenue generated in Australia and New Zealand, and 31% from Europe. Development of the ENS digital learning platform was received positively by clients, increasing their ongoing engagement and generating strong new client interest
- EdventureCo continues to execute on its 'Buy & Build' strategy, focused on training providers in digital, soft and future skills in Australia and international markets

## NOTES

1. Includes adjustments to exclude the impact of non-recurring items.
  2. Includes proceeds of \$1,449k received in connection with the Australian Federal Government's JobKeeper Assistance Program.
  3. PcP includes pre-acquisition period for Auldhouse.
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# Arowana Funds Management

Vehicle	FUM	Comments
<p><b>AROWANA</b> CONTRARIAN VALUE FUND</p>	<p>NIL (fund wound up)</p>	<ul style="list-style-type: none"> <li>ACVF was a long-biased global listed equities investment fund</li> <li>Following a strategic review, AWN decided to exit ACVF as an investment strategy</li> <li>In December 2020, ACVF shareholders voted for the liquidation and return of the Company's assets, net of a termination fee paid to the Manager (a subsidiary of AWN)</li> <li>Over its life as an LIC, ACVF delivered unlevered annualised net returns of 8.6% vs the ASX accumulation index of 7.7%. Inclusive of its 5 year pre-IPO performance, ACVF delivered annualised unlevered net returns of 12.8% vs the benchmark of 9.3%</li> </ul>
<p><b>AROWANA</b> AUSTRALASIAN SPECIAL SITUATIONS FUND</p>	<p>A\$35.5m (at 30 June 2022)</p>	<ul style="list-style-type: none"> <li>AASSF 1 was focussed on special situations and invested across different types of securities (including Nasdaq Special Purpose Acquisition Vehicles, convertible notes, hybrid securities and ASX shells)</li> <li>Fund currently in harvest mode</li> </ul>
<p><b>AROWANA</b> AUSTRALIAN SPECIAL INCOME OPPORTUNITIES FUND</p>	<p>NIL (fund wound up)</p>	<ul style="list-style-type: none"> <li>ASIOF was a private credit investment strategy focussed on direct lending to lower-middle market businesses in Australia, leveraging the capability and pipeline of the broader Arowana platform and investment team</li> <li>Fund has been wound up and all capital returned to investors as of December 2021</li> <li>Unlevered net IRR was 19.9% (versus target of 15% unlevered)</li> </ul>

	Statutory year ended 30 June 2022	Underlying year ended 30 June 2022	Underlying year ended 30 June 2021	Underlying % change FY2022 vs FY2021
<i>All figures in A\$000's</i>				
Revenue	595	595 <sup>1</sup>	984 <sup>1,2</sup>	(40)
EBITDA	465 <sup>1</sup>	102 <sup>1</sup>	(746) <sup>1,2</sup>	<i>nmf</i>

- Revenue for the period reflects management fees and carried interest income generated from the management of the Australian Special Income Opportunities Fund (ASIOF)
- ASIOF achieved an unlevered net IRR of 19.9% (gross IRR of 28.9%)
- Underlying EBITDA for the period reflects direct costs of Arowana Funds Management, in addition to the allocation of an activity-based overhead charge from AWN Enterprise Office commensurate with the direct and indirect cost of support provided to Arowana Funds Management
- In accordance with the Board's review of the strategic options for the Funds Management business, the Group has exited ASIOF following the return of all capital to investors
- The remaining vehicle, AASSF, has limited direct costs and will ultimately cease once its investments have been fully realised (ordinary shares in Elevate Money Limited and VivoPower)

## NOTES

1. Includes allocation of activity-based overhead from Enterprise Office.

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

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# Appendices

# Cash movement breakdown

AWN Cash reconciliation	A\$	Comments
Cash @ 30 June 2021	16,827,303	As per audited balance sheet at 30 June 2021
Cash @ 30 June 2022	7,890,586	As per unaudited balance sheet at 30 June 2022 <sup>1</sup>
<b>Total Cash movement</b>	<b>(8,936,717)</b>	
Employment expenses	(18,188,359)	Group employee expenses for all consolidated entities
Other net operating cash flows	24,574,223	Includes net interest paid, non-recurring items and regular operating revenue and expenses
Bridge facility	(5,725,353)	Bridge finance facility to VivoPower
Other net investing activities	(20,450,725)	Net cash outflow on acquisition of Auldhouse, fixed assets, term deposits and ENS deferred consideration
Proceeds from borrowings	11,599,800	Proceeds of debt funding applied to Auldhouse acquisition offset by repayment of QRIDA <sup>2</sup> facilities
Net repayment of borrowings	(2,958,369)	Repayment of right-of-use lease liabilities
Convertible note issue	5,250,000	Convertible notes issued in February 2022
Share buyback	(3,046,657)	On-market share buyback
FX movement	8,723	Foreign exchange movements on USD bank accounts
<b>Total Cash movement</b>	<b>(8,936,717)</b>	

## NOTE

Breakdown above is unaudited and classifications are based on management accounts

<sup>1</sup> The audit process for FY2022 remains ongoing as at the date of this presentation

<sup>2</sup> Queensland Rural and Industry Development Authority

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## Questions and Answers