

AWN HOLDINGS LIMITED

ACN 103 472 751

2 November 2022

Quarterly Operational & Net Tangible Assets Update | Quarter Ended 30 September 2022 (Unaudited)

The Directors of AWN Holdings Limited (AWN) are pleased to provide the following operational and unaudited net tangible asset update for the quarter ended 30 September 2022:

Operational Highlights

VivoPower International

- VivoPower released its own quarterly update on 27 October 2022.
 - VivoPower's quarterly update can be accessed via this link: <https://arowanaco.com/wp-content/uploads/2022/10/AWN-Announcement-VVPR-Update-30-September-2022.pdf>
-

EdventureCo Group

- EdventureCo's three divisions of Digital, Soft and Future Skills all performed broadly in line with budget despite the turbulent macro environment. Demand remains high for quality skills training in the enterprise and government sectors.
 - Plain English Foundation, Australia's leading provider of clear communication training, was acquired in early August and complements EdventureCo's existing soft skills business, ENS. Integration and onboarding is ongoing with the business performing above budget and now taking training bookings for April 2023.
 - DDLS and Auldhouse continued to see strong demand in their core vendor certified IT training businesses with the Philippines in particular recording an excellent quarter as conditions there improved post-COVID.
 - Softness in ENS's European market was largely offset by higher than expected training demand in Australia and North America, with the development of masterclass and webinar training events designed to reengage with alumni.
 - Everthought continued its strong domestic performance with apprenticeship demand remaining high in Queensland and developing well in Western Australia. Growth in the B2B sector was especially pleasing. International enrolments were good but frustrated by slow visa processing times affecting all training providers.
-

Funds Management

- The Arowana Australasian Special Situations Fund (AASSF1) is in realisation mode.
 - Elevate Money Limited (an investee of AASSF) continues to execute successfully on its growth strategy.
-

Enterprise Office

- AWN successfully recertified as a B Corp with a significant increase to its impact score of 138.8 from 84.2.
 - AWN EO team continues to assist EdventureCo with bolt-on strategy and on-boarding of acquisitions.
-

AWN HOLDINGS LIMITED

ACN 103 472 751

Unaudited Net Tangible Assets Breakdown as at 30 September 2022

NTA Breakdown (all figures unaudited in A\$000s)	Statutory A\$	Underlying A\$	Comments
Cash and cash equivalents	9,373	9,373	Group cash balance
Investment in VivoPower International PLC ¹	20,452	11,403	Value as at 30 September 2022 (reflects 42.8% ownership interest)
Shareholder loans receivable ²	38,593	38,593	Loans receivable from Aevitas O Holdings Pty Ltd (a wholly owned subsidiary of VivoPower)
Other investments	100	100	Carrying value of Elevate Money Limited (formerly Viento Group Limited)
Net working capital	(14,844)	(14,844)	Accrued income, receivables and inventory less payables and current provisions
PPE	11,966	11,966	At cost (net of depreciation); includes right-of-use (ROU) lease assets
Other assets	4,295	4,295	Security deposits on leased properties
Other liabilities	(434)	(434)	Non-current employee provisions
Borrowings	(48,766)	(48,766)	ROU lease liabilities, convertible notes on issue and external debt (to fund EdventureCo acquisitions)
Net tangible assets (\$)	20,735	11,686	Excludes goodwill, intangibles and deferred tax assets and liabilities
Total shares on issue - basic (#)	36,440	36,440	As at 30 September 2022
Total shares on issue - diluted (#) ³	49,365	49,365	As at 30 September 2022
NTA per share - basic (cents)	56.9	32.1	As at 30 September 2022
NTA per share - diluted (cents) ⁴	59.8	41.5	As at 30 September 2022
NTA per share - basic (cents)	83.8	83.8	As at 30 June 2022
NTA per share - diluted (cents) ⁵	79.7	79.7	As at 30 June 2022

On behalf of the Board of AWN,



Tom McDonald
Joint Company Secretary

¹ Statutory NTA reflects AWN's investment in VivoPower at its equity-accounted carrying value as at 30 June 2022. Underlying NTA reflects value of AWN's investment in VivoPower at the AUD equivalent of its last sale price as at 30 September 2022 (US\$0.72 per share).

² Shareholder loans receivable from wholly owned subsidiary of VivoPower International PLC, Aevitas O Holdings Pty Ltd.

³ Additional 12,925,000 shares represent the assumed conversion of all convertible notes issued in February 2020 (5,925,000) and February 2022 (7,000,000) into ordinary shares.

⁴ \$8.5 million is added back to net tangible assets representing a reduction in borrowings on the assumption that all convertible notes on issue are converted into ordinary shares.

⁵ \$8.5 million is added back to net tangible assets representing a reduction in borrowings on the assumption that all convertible notes on issue are converted into ordinary shares.

AWN HOLDINGS LIMITED

Disclaimer

The information in this presentation is general information about AWN Holdings Limited (“AWN”, the “Group”, the “Company”) 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 AWN Holdings Limited, nor is it an invitation to any person to acquire securities in AWN Holdings 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, AWN Holdings 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.