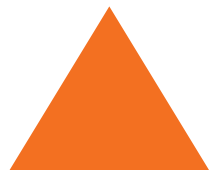

powerHouse

Managing Director's Address

Dr. Stephen Hampson



Systematically creating global businesses from intellectual property



Highlights of FY16

- Net portfolio value up by \$8.7m (73%)
- Four more companies added
- Led substantial funding round for HydroWorks
- Investments made across 15 companies
- Deal flow from Australia
- IPO completed 12 October 2016

\$8.7m

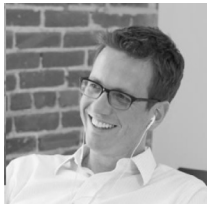
Increase in portfolio fair value

19

Four new companies added to the portfolio taking total to 19

Enhancing our skill base

Appointment of seasoned advisors to Powerhouse on a consulting basis



Terrence Rohan, ICT

Index Ventures, San Francisco, California
Previous: YouTube, Google Inc
Education: Stanford University



Richard Mander, ICT

ikeGPS, Seattle Area
Previous: Visualant, Contour Inc
Education: Institute for Strategic Leadership



Colin Harvey, Agritech

ANIDEA Consulting Ltd New Zealand
Previous: Ancare New Zealand Limited
Education: Massey University



Robin Olds, Medical and Healthcare

Consultant, New Zealand
Previous: Health Research Council of NZ
Education: University of Otago



Anna Campbell, Agritech

AbacusBio Limited, New Zealand
Previous: AgResearch
Education: Harvard Agribusiness Seminar



Keith McConnell, Engineering

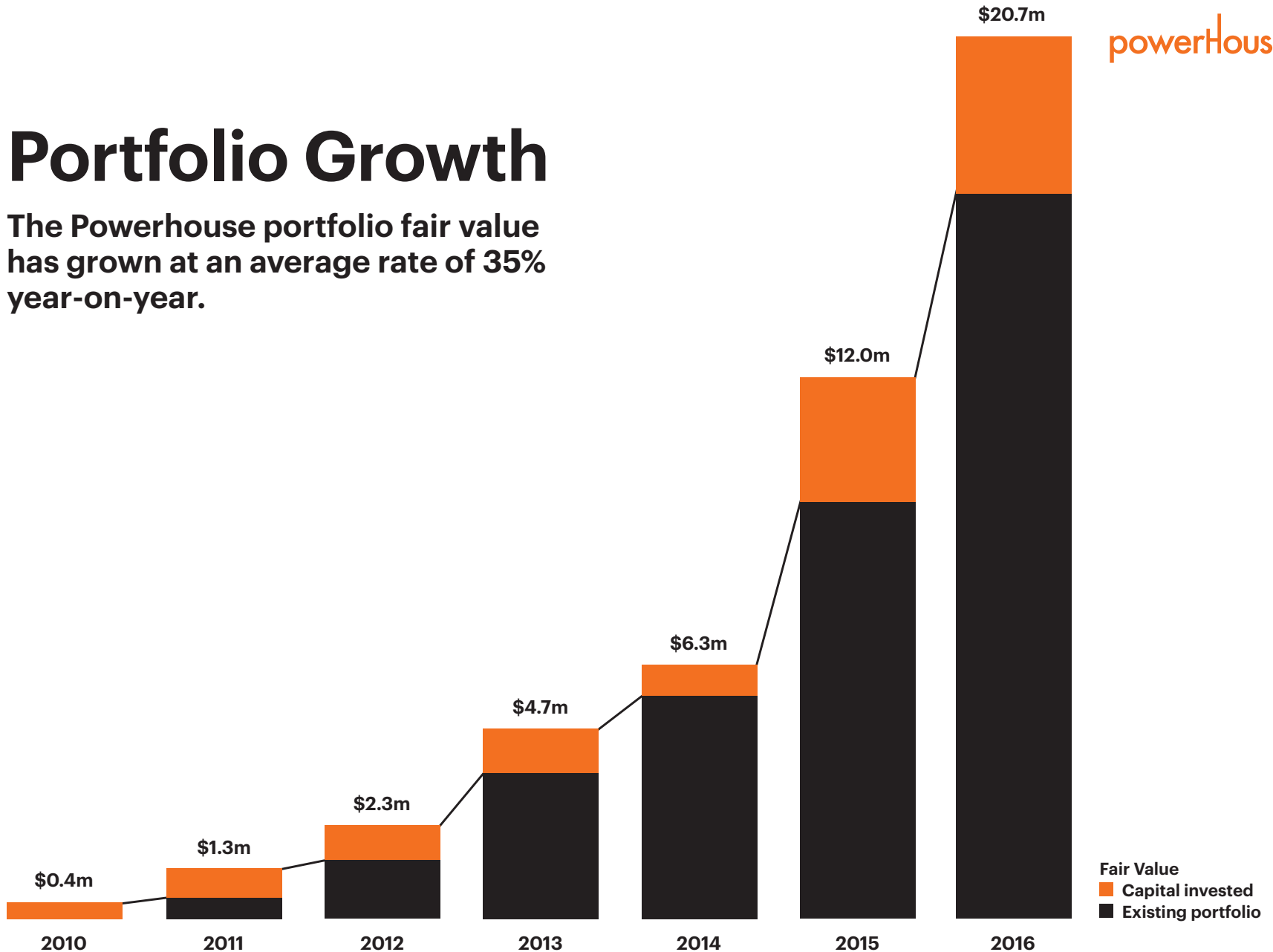
Consultant, New Zealand
Previous: Chair, Industrial Research Ltd
Education: University of Otago

Financial highlights

- **\$3.2 m invested across 15 companies**
- **Net fair value gains of \$5.5m**
- **Net portfolio value increase by \$8.7m to \$20.7m (2015: \$12.0m)**
- **Pre tax profit of \$2.1m (2015: loss of \$763k)**
- **Net assets of \$19.7m (2015: \$13.9m)**
- **Revenue \$8.0m (2015: \$4.0m)**

Portfolio Growth

The Powerhouse portfolio fair value has grown at an average rate of 35% year-on-year.



Fair value movements

Total net fair value gains of \$5.8m including:

- **\$1.8m in CropLogic**
- **\$3.2m in Invert Robotics**
- **\$0.8m in Motim**

Net fair value gains offset by minor fair value losses including:

- **\$88k in HydroWorks**
- **\$237k in Modlar**

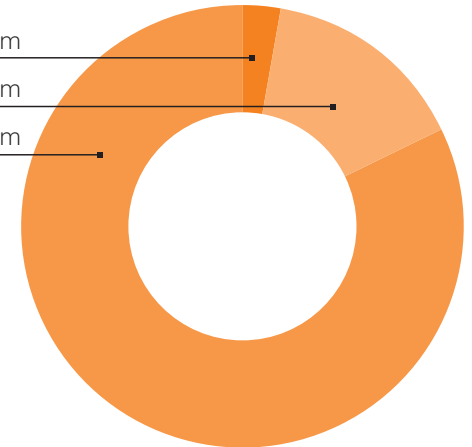
Resulting net portfolio uplift of \$5.5m

Our Valuation Policy

- Total Portfolio \$20.7m
- \$0.6m (3%) valued on mark-to-market at 30 June 2016
- \$3.1m (15%) valued at cost
- \$16.9m (82%) valued at recent funding round

Sectors of Valuation

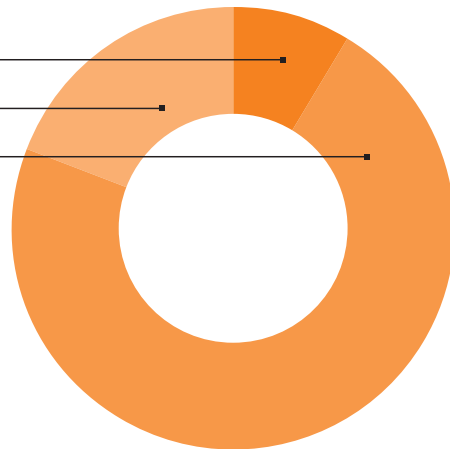
Quoted	\$0.6m
At cost	\$3.1m
Recent funding round	\$16.9m



Investment Portfolio

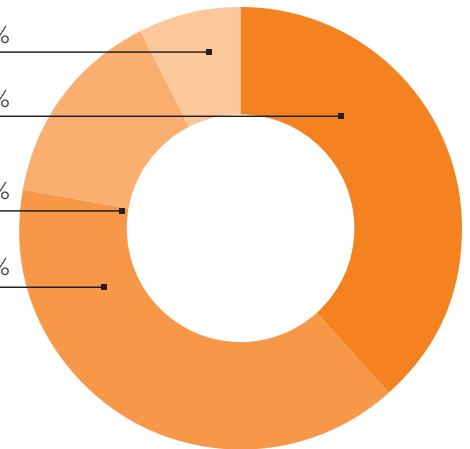
Maturing portfolio

Pre-Seed	\$1.8m	8.8%
Seed	\$3.9m	18.9%
Post-Seed	\$14.9m	72.3%



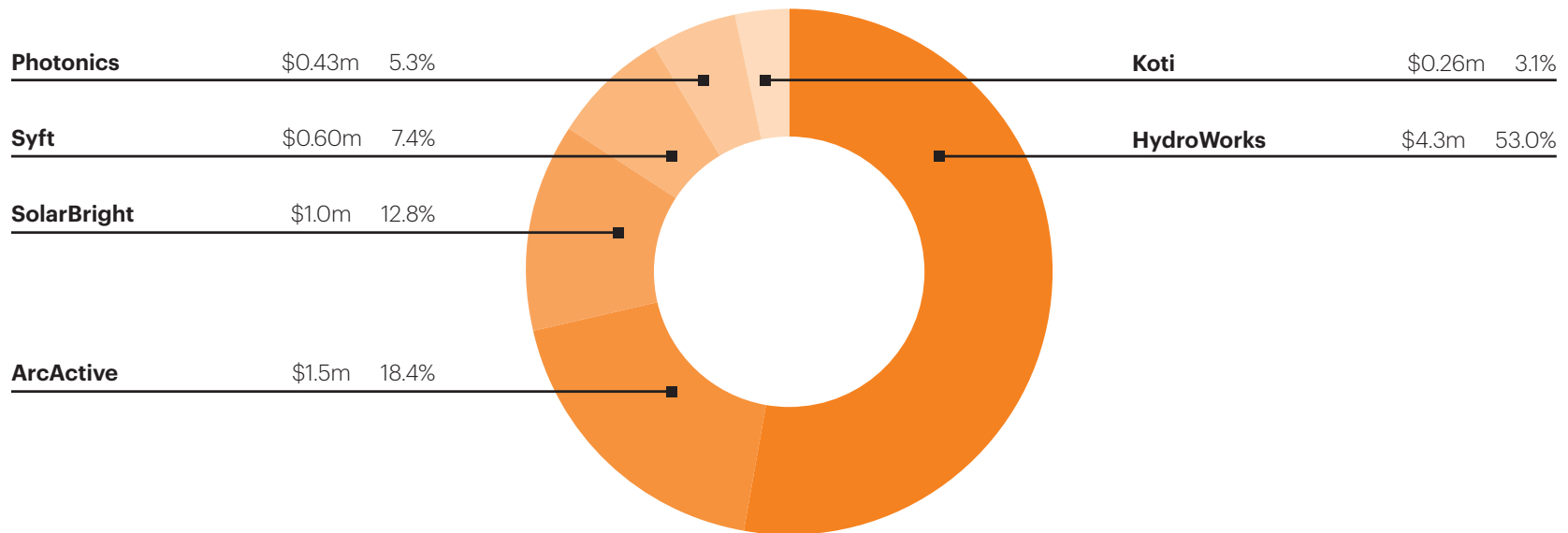
Diversified portfolio

Medical and Healthcare	\$1.5m	7.5%
Agritech and Environmental	\$8.0m	38.5%
Information and Communication Technologies	\$3.0m	14.6%
Cleantech and Engineering	\$8.1m	39.4%



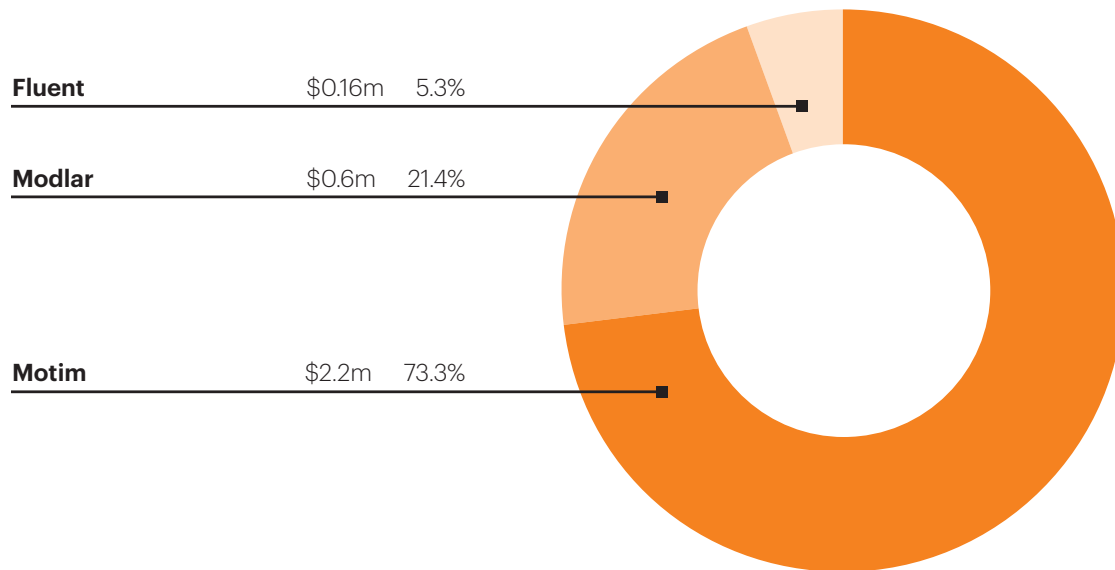
Cleantech sub-sector

6 companies; \$8.1 million



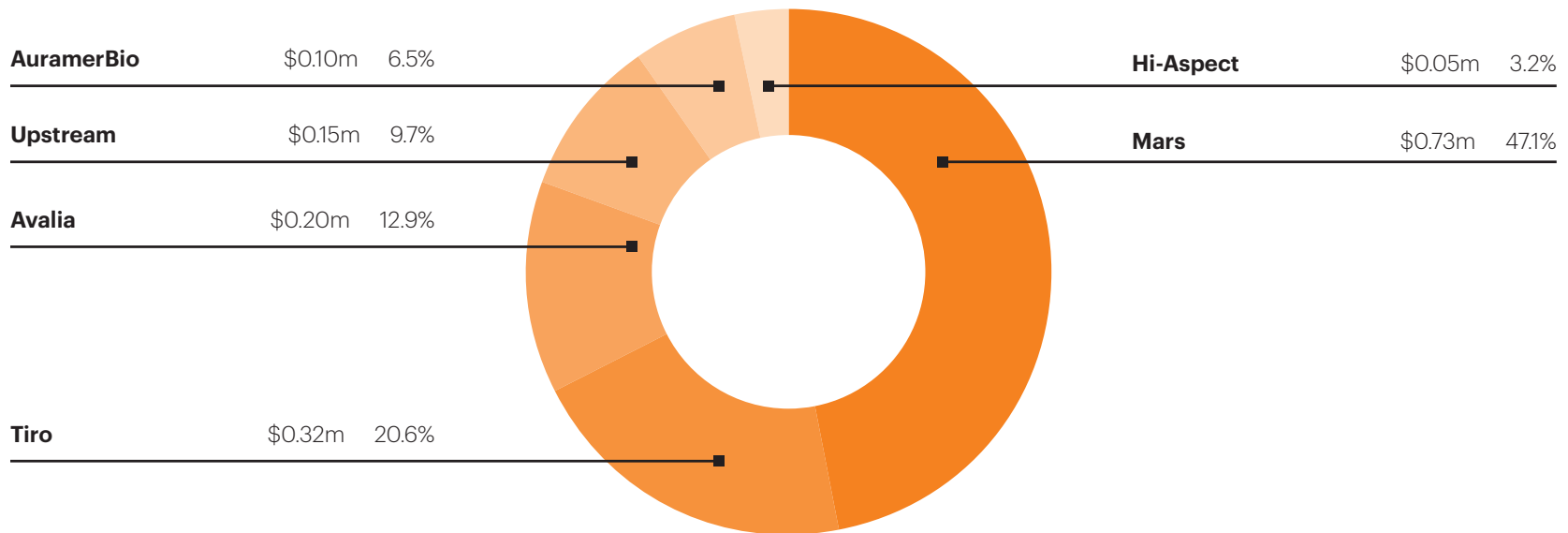
ICT and digital sub-sector

4 companies; \$3.0 million



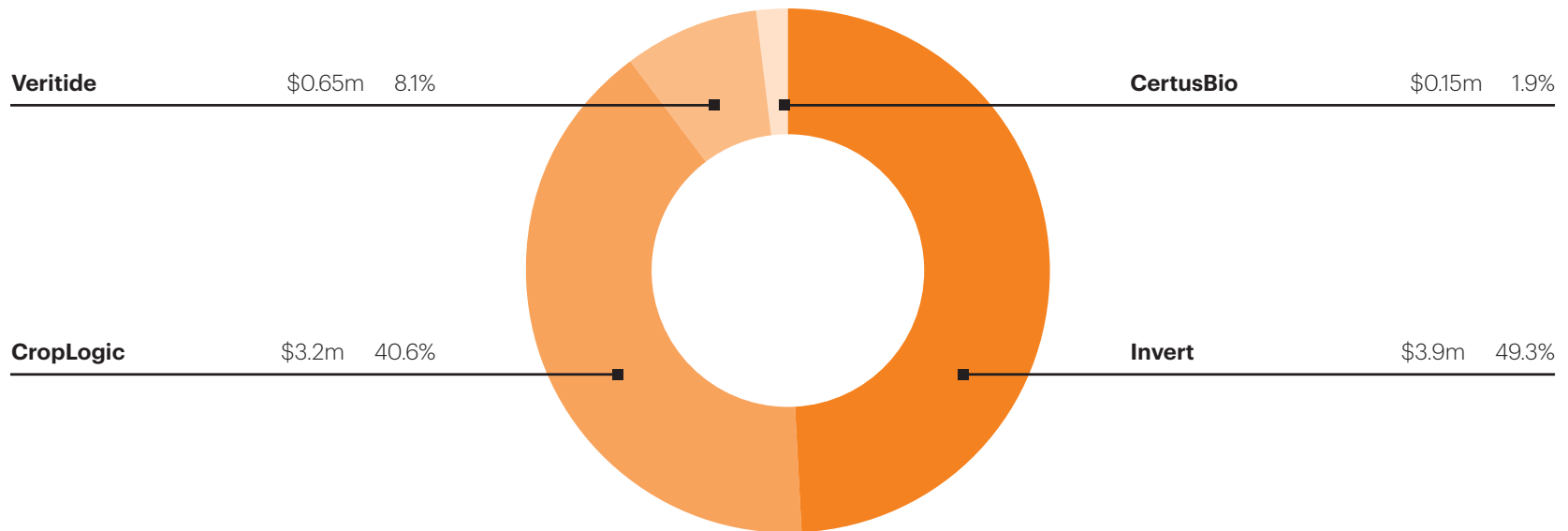
Medical sub-sector

6 companies; \$1.5 million



Agritech sub-sector

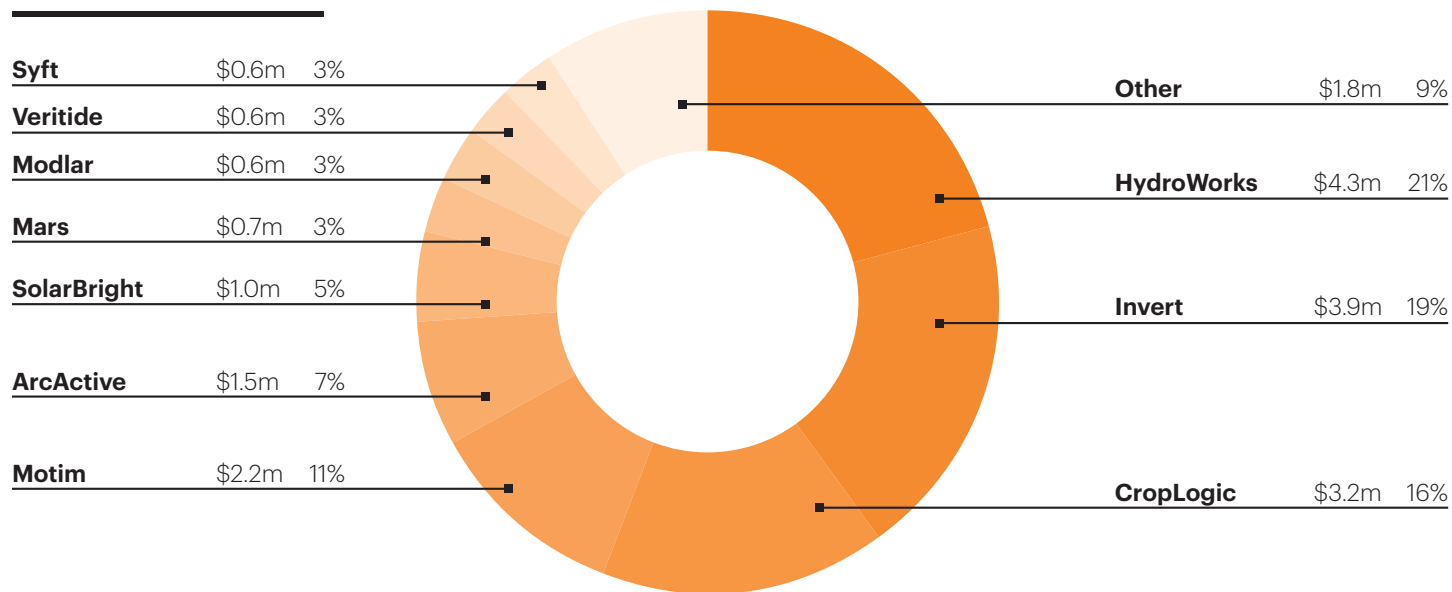
5 companies; \$8.0 million



Maturing portfolio

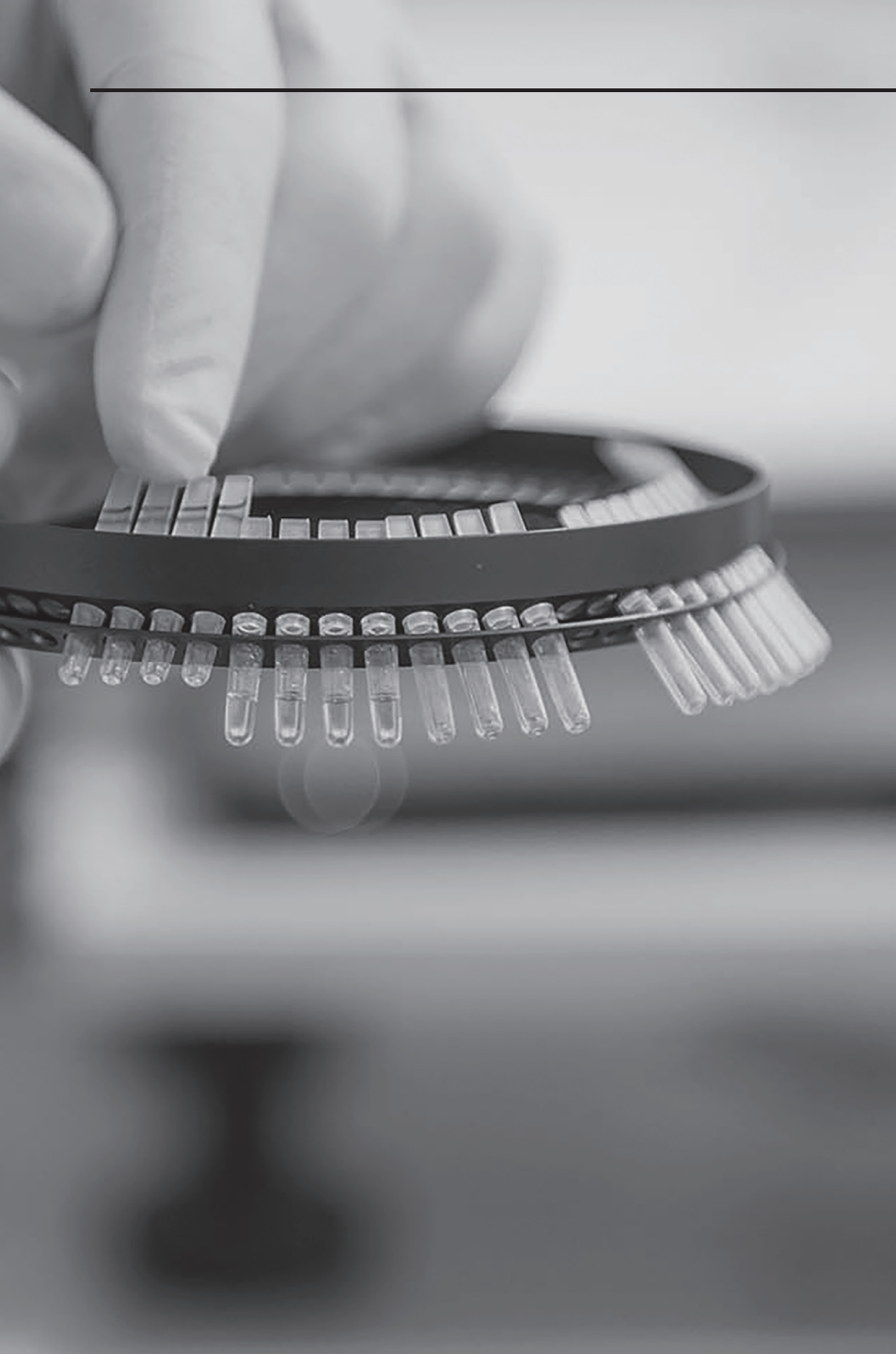
- Five companies have enterprise value of over \$10m
- Conservative IPEV valuations produce significant potential upside

Total Value \$20.7 million



Outlook

- **We have a number of companies in our portfolio with the potential to complete an ASX listing**
- **Expansion of activity in Australia**
- **Maintain focus on our Patient Capital model and long-term value creation for shareholders**
- **Significant news flow from the portfolio over the next 12 months**



AuramerBio is an aptamer development company founded on technology from Victoria University of Wellington (VUW). It specialises in the translation of DNA aptamer sensing technologies into analytical tools and diagnostic assays, specifically in the monitoring of small molecules relevant to human health.

Currently, the mature in-vitro diagnostics market, valued at US\$30b, is experiencing slow growth due to a trend away from laboratory testing towards point of care analysis. This decentralisation of testing services is a prime opportunity for new technologies to position for market share and AuramerBio intends to lead the way.

Powerhouse and VUW's Technology Transfer Office, Victoria Link Limited, began assessing the market opportunity for the aptamer technology in 2014 before establishing AuramerBio in the latter half of 2015. The company's innovative design methods give it a strong competitive advantage in this new field of sensing technology.

AuramerBio

DNA aptamers provide a fully synthetic, reliable biological sensing chemistry to address the under served antibody market for small molecule and protein detection in medical and environmental samples.

Management

Jeremy Jones (CEO)

Board

Kate McGrath
Duncan Mackintosh
Melissa Yiannoutsos

PVL entered	2016
Enterprise	\$0.7m
PVL	14.3%



Hi-Aspect is developing a range of new specialty ingredients for topical application in the skincare and medical industries, based on its protein fibril technology.

These industries have an increasing need to use natural materials with sophisticated functional properties instead of synthetic nano-materials and polymers, which can be costly, toxic and persist in the environment. Applications range from general consumer skin care formulations to more sophisticated medical devices for the wound care market.

Powerhouse has worked with Professor Juliet Gerrard and her team at the University of Canterbury and Callaghan Innovation over the last four years to identify a robust path to market for her world leading structural protein technology and will continue to support her work at the University of Auckland to provide a strong product pipeline for Hi-Aspect.

Hi-Aspect

Hi-Aspect specialises in the development of protein-based material and products for the Medical and LifeScience markets. Specifically, the development of natural protein scaffolds for the delivery of enzymes and bio-active molecules in skincare and industrial processing.

Management

George Slim (CEO)

Board

Juliet Gerrard

Peter John

Jennifer Anderson

PVL entered	2016
Enterprise	\$0.1m
PVL	50%





A patient's fight against cancer and infectious disease is being aided by new vaccines under development by Avalia Immunotherapies.

Avalia is a pre-clinical stage company developing vaccines to treat patients with premalignant and advanced cancers. Its unique approach to activating the immune system is showing promise in a pre-clinical setting as a stand alone therapy and also when combined with other immunotherapies to harness a more potent response — to increase the number of patients responding to existing treatments.

Powerhouse started working alongside the Malaghan Institute of Medical Research, Victoria University's Ferrier Research Institute and the University of Otago in 2014, to secure investment and help position the company for significant growth. Since incorporation in 2015, Avalia has demonstrated its lead vaccine platform in a number of commercially relevant disease settings with its international collaborators, providing the necessary momentum to progress formal safety studies and gain regulatory approvals to initiate first-in-human studies.

Avalia Immunotherapies

The platform technology can be used to design new treatments for cancer, infectious disease and allergy, with an initial focus centering on cancer immunotherapy.

Management

Shivali Gulab (CEO)
Gavin Painter (CTO)
Ian Hermans (CSO)

Board

Ashley Dunn (Chairman)
Richard Furneaux
Graham le Gros
Colin Dawson
Melissa Yiannoutsos
Robert Peach

PVL entered	2015
Enterprise	\$1.5m
PVL	13.1%

UPSTREAM

MEDICAL TECHNOLOGIES

Upstream Medical Technologies will be a provider of definitive front line testing in hospital emergency departments. A suite of novel biomarkers developed in the Christchurch Heart Institute provides the basis for offering early and specific diagnosis of heart disease and associated medical complications.

The first test promises to identify patients at risk of, but not already experiencing, a heart attack. Using current medical practice, these patients can take days to diagnose. Upstream's test could identify these patients within an hour of a blood sample being taken, enabling rapid intervention prior to heart damage occurring. The test will be performed alongside the standard test for heart attack damage, Troponin. The predicted global market size is projected to be \$US 3 billion, using Troponin as a comparator.

Powerhouse supported the formation of Upstream, providing the initial investment in December 2015 to make it possible for the company to begin commercial development of its product pipeline.

Upstream Medical Technologies

The company has a platform of cardio endocrine biomarkers that accurately diagnose a range of conditions in heart disease and associated complications which are currently problematic for emergency department physicians.

Management

Roland Toder (Exec. Director)
Ruth Appleby (Acting CEO)

Board

Colin Dawson (Chair)
Roland Toder (Exec. Director)
David Christensen
Steve Silvey

PVL entered	2015
Enterprise	\$1.4m
PVL	11.1%



Annual General Meeting

