



**ASX Release**

**Powerhouse Ventures Limited**

**Level 1, Awly Building, 293 Durham Street, Christchurch 8013, New Zealand**

**(ASX Code: "PVL")**

**NZ Company No. 1854396 / ARBN 612 076 169**

**Operations Update**

**Christchurch, New Zealand, 10 January 2020**

The Board of Powerhouse Ventures Limited (PVL or the Company) is pleased to provide this Operations Update.

PVL goes into 2020 with unaudited cash reserves of ~\$NZ1.8m as at 31 December 2019 and debt free, having repaid all outstanding Convertible Notes and accrued interest in full.

A valuation review of the PVL portfolio is currently being completed and it is expected to show material uplifts for a number of the investee companies, with significant capital raisings having been completed during the 4<sup>th</sup> Quarter of 2019 by five of the portfolio companies.

Other investee companies are currently in the process of raising additional funds and the Company will release its reviewed half year financial statements by the end of February 2020, which will include an analysis of individual investments in the PVL portfolio.

The Board is now finalising its 3 year strategic plan and is working with its three major shareholders to ensure there is a cohesive and agreed way forward for PVL over the coming months and years. The PVL capital structure remains tightly held with the three major shareholders holding ~50% of the shares on issue and the Board is cognisant of the need to create more liquidity in PVL shares.

It is expected that the focus on the commercialisation of Intellectual Property development in leading universities in Australia and New Zealand will continue but there will also be a new initiative to open



up overseas markets, particularly in China and South East Asia, for the existing portfolio companies. There is also a desire to begin funding later stage start-up companies that have begun to achieve revenues and are beyond angel stage investors. This will require access to additional capital and PVL is in discussions with several groups regarding potential partnerships in this area.

The detailed methodology for the evaluation of early stage intellectual property that has been developed by PVL over the past decade uniquely positions the Company to identify start-ups with global potential, thereby reducing the risk of investment that traditionally goes with the early stage investment sector. PVL intends to leverage this expertise over the coming years and build value for its shareholders.

In summarising the current position of PVL, Chairman Russell Yardley said, “PVL has worked hard to achieve a debt free position with sufficient cash to support our nine focused investments and to allow those companies to realise their considerable potential. As PVL attracts additional capital to commercialise science from leading university research, the Company will explore expanding its funding to later stage companies so that PVL will be able to support globally successful science and technology based companies in Australia and New Zealand.”

**Authorised by the Board of Powerhouse Ventures Limited**

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### **About Powerhouse Ventures Limited**

Powerhouse is a leading intellectual property commercialisation company which focuses on developing brilliant research from New Zealand and Australian universities into world changing businesses. It has developed a unique approach to develop these innovations and businesses by providing access to business building expertise, capital, networks, recruitment and ongoing business support. Powerhouse has a successful track record with an existing active portfolio of early stage to mature businesses across four main sectors: engineering and clean-tech, medical and healthcare, agritech and environmental, and digital and ICT.