

ASX Release

Powerhouse Ventures Limited

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1 June 2023

STRATEGIC REVIEW & CORPORATE UPDATE

Strategic Review

Powerhouse Ventures Ltd (PVL) announces that it is conducting a strategic review of the investment portfolio and corporate structure with the primary aim of seeking to close the discount to Net Tangible Assets (NTA) and improve returns to shareholders. PVL has made several new investments since the current board was installed in late 2021, which have performed well, notably Skykraft which has been revalued post completion of a recent capital raising at a substantially higher price to PVL's initial investment valuation.

In addition to these new investments, PVL retains a collection of legacy investments made prior to the current board, which have performed to varying degrees, as outlined in prior market disclosures.

Despite the success of PVL's more recent investments and the increase in NTA, the share price has continued to trade at a large and persistent discount.

The board of PVL recognises that the current discount to NTA is prohibitive to PVL's growth plans and limits the company's ability to expand its horizons thus becoming a concern for shareholders, whilst also acknowledging that PVL needs to be larger to support the long term sustainability of the company which is hampered by the large discount to NTA.

As such, the board intends to seek to close this discount and improve the long term prospects of the company through the following steps:

1. PVL will engage with external advisors who specialise in broking private investments globally to focus on monetising the legacy investments given their carrying value is not reflected in share price;
2. PVL will continue to assess new investment opportunities but will do so with an exceptionally high return hurdle and prioritise more liquid, shorter duration investments, which are less likely to be discounted by investors compared to illiquid and longer duration investments;
3. If, and when, the company is successful in consistently narrowing the discount to NTA the board will be able to consider all strategic options, including expanding horizons through new ventures, capital returns or M&A.

The company will update shareholders on the review and the steps detailed above as progress is made.

Corporate Update

In addition, PVL has recently successfully transferred its incorporation from New Zealand to Australia approved by its shareholders at an EGM on 17 May 2023. PVL has no operations or business presence in New Zealand and the board considered there was no purpose in maintaining the Company's incorporation and registration in New Zealand.

James Kruger
Chairman

Authorised by the Board of Powerhouse Ventures Limited



About Powerhouse Ventures Limited:

Powerhouse is an investment company seeking to advance emerging intellectual property (principally originating from Australian scientists, engineers and institutions) into globally impactful businesses. The focus sectors are Electrification & Decarbonisation, Next Generation Computing, Space technologies, and Healthcare and Wellness. Powerhouse has an existing active portfolio and strong pipeline of early stage to mature businesses across its focus segments. It has developed a unique network and broad base of skillsets to help its portfolio businesses expand and commercialise