Powerhouse

ASX Release

Powerhouse Ventures Limited ("PVL" or the "Powerhouse Group")
Suite 201, 117-119 McLachlan Street, Fortitude Valley QLD 4006
(ASX Code: "PVL") ABN: 64 612 076 169
Release Date: 30 October 2026

Quarterly update on activities for the 3-month period ended 30 September 2026

Powerhouse Ventures Limited (ASX:PVL) (PVL or the Powerhouse Group), a high conviction investment house focussing on global resources and technology, is pleased to present its quarterly activities report and Appendix 4C for the 3 months ended 30 September 2026.

Q1 FY2027 Highlights

- 3 Corporate Advisory mandates successfully completed in the quarter including raising $8.5m in a pre-IPO capital raising for Sightec Inc
- Aliwa fund returns 1.5% for the quarter amid difficult conditions for Microcaps and commences a new round of fund raising
- Powerhouse Venture Partners launches first product, SPV 1, representing 5 Australian dual-use technology companies spanning the physical layer of AI

As with all ASX quarterly commentaries we note that the financial analysis remains subject to confirmation through the full year auditing and reporting processes.

1. PVL Group Financial Highlights

Operating revenue was $872k for the quarter, down $90k or 9% YoY, and operating profit pre-tax was $340k for the quarter, up 46% YoY. Receipts from customers was $708k for the quarter, up $194k or 38% YoY while cash payments excluding tax were $736k for the quarter, up $86k or 13% YoY. Net cash from operating activities excluding tax for the quarter was ($25k), an 80% improvement on ($126k) YoY.

The Group's liquid treasury position and ASX listed assets at 30 September 2026 was $7.15m consisting of $1.40m cash, and $5.75m of ASX listed assets.

Our Group Net Tangible Assets of $20.9m was up $1.6m, or 8% YoY, while Group NTA per share was constant at 12.3 cents per share.

James Kruger, Executive Chairman, said:

"Markets were challenging through the quarter and have remained so since, particularly for the growth companies we support. We have worked hard to reduce our reliance on any single source of revenue. Transaction fees from Advisory, returns from Funds Management and, from this quarter, the foundations of annuity revenue through Powerhouse Venture Partners give us different shapes of revenue that should insulate us from market shocks. Our real edge is expertise and conviction. Deep knowledge of resources and technology lets us form a view on long-term value, as we did with the companies highlighted in this update. With $7.15m in cash and ASX listed assets, and a portfolio of globally relevant unlisted technology companies on our balance sheet, we are in a position of strength and have the capacity to take long-term views on value opportunities despite market volatility."

2. Corporate Advisory - business unit update

During and shortly after the quarter, Powerhouse Advisory completed three transactions:

- A pre-IPO capital raising for a global defence technology company;
- a sell side M&A transaction for a private Australian consumer business into an ASX listed acquirer; and
- an ASX IPO for a Philippine gas explorer.

A$8.5m pre-IPO capital raising for Sightec

Significant work was undertaken during the quarter, on a $8.5m pre-IPO capital raising for Sightec Inc., with further capital committed under a deferred close. Completion of the transaction was announced in October.

Sightec is a global drone technology company whose combat-proven NavSight system allows drones to navigate without GPS. NavSight is deployed on more than 4,000 drones across the US, Europe, the Middle East and Asia. PVL Advisory acted as Lead Manager and Corporate Advisor (refer ASX announcement dated 29 October 2026).

The transaction was originated through Powerhouse's venture network with the underlying technology validated through the Group's defence and deep technology expert ecosystem. This underpinned our high conviction before the opportunity was offered to investors. PVL Advisory is engaged as Sightec's Australian capital markets adviser, including in relation to a potential ASX listing.

Powerhouse and its Funds Management division co-invested approximately $700,000 in the round, including $440,000 from the PVL balance sheet, on the same terms as the investors it introduced. The balance sheet investment is broadly equivalent to the net cash fee Powerhouse would have earned had it acted simply as a transactional broker.



Sightec investor presentation to the Powerhouse investor network

Sprout Organic merger with Nutritional Growth Solutions (ASX: NGS)

Powerhouse acted as corporate adviser to Sprout Organic on its merger with NGS. This was the Group's first sell side M&A mandate, which we reported in the June quarter as signed and subject to shareholder approval. NGS shareholders approved the transaction on 10 August 2026 and it completed on 1 October 2026. The combination creates an ASX listed children's nutrition platform spanning infant formula through to growth nutrition for children aged 10 and over. Sprout's founder, Selasi Berdie, has been appointed Chief Executive Officer and Executive Director of NGS, and a $2.5m placement was completed in connection with the transaction.

Tetragon Energy Limited (ASX: TET)

Tetragon Energy (ASX: TET) listed on the ASX on 9 July 2026 at an issue price of $0.20, with Powerhouse acting as Lead Manager to the IPO. In September, Tetragon announced a material upgrade to the prospective resource at its Halcon prospect in the Philippines (refer TET ASX announcement dated 3 September 2026).

TET closed at $0.31 on 28 October 2026, 55% above its issue price, ranking 7th of the 58 ASX IPOs completed over the last 12 months . By comparison, the median IPO over that period is trading 13% below its issue price. Powerhouse remains engaged by Tetragon on its capital markets strategy.[1]

Market conditions and pipeline

Whilst these conditions are generally challenging for equity capital markets activity, we believe our merchant capital model will stand to benefit through equity exposure in targeted companies at compelling entry points.

Our pipeline remains strong, with several ASX listed clients engaged and pre-IPO raisings for high-quality private companies in preparation. We remain selective, backing transactions where we have conviction and where the terms work for both our clients and our co-investor network.

3. Funds Management - business unit update

Listed Aliwa Alpha Fund

The Aliwa Alpha Fund returned 34.73% net for FY26, ahead of the S&P/ASX Emerging Companies Index (XEC) by 30.7%. FundMonitors.com ranked the Fund 2nd of 100 funds in its Equity Long – Small/Mid Cap Australia peer group for the year, against a peer group return of 3.85%. Resources and gold drove most of the gains at our end of the market in FY26 as many quality and growth strategies struggled.

The Fund returned 1.5% net for the September quarter, broadly in line with its benchmark. August reporting season lifted the Fund 4.99%, before September gave back 2.7% in a weak month for smaller companies. The RBA's fourth rate rise of the year, to 4.60% on 29 September adds to a difficult backdrop for microcaps. Capital continues to favour larger companies and resources, and industrial microcaps remain out of favour. Whilst that makes for a tough market, the outlook and relative valuation for microcaps has never been better and the team are excited by the opportunities for the fund.

With the restructure complete, the Fund is now raising capital from wholesale and sophisticated investors, and we believe current valuations make this the right time to put new capital to work.

[1] source: Intelligent Investor

4. Powerhouse Venture Partners – business unit launch

During the quarter, the Powerhouse Group established its new Powerhouse Venture Partners (PVP) business and developed its first product, SPV 1. PVP is now the third client-facing business unit that rounds out our revenue generation capability and strengthens our expertise in global resources and technology.

We recruited Michael Datta as Strategic Growth Partner and entered into a tie-up with his consultancy 'Noosa Partners', which is chaired by the Hon. Arthur Sinodinos AO. Arthur was Australia's Ambassador to the United States from 2020 to 2023, where he was closely involved in AUKUS, the Quad and the Indo-Pacific Economic Framework. Michael and Arthur have recently held in-depth commercial and strategic discussions in the United States with customers of our portfolio technologies and relevant government stakeholders.

SPV 1 is a curated private investment product backing five Australian technology companies operating in the 'physical layer of AI'. These are dual-use technologies which we believe are well positioned to benefit from the development of Sovereign AI and new strategic capability for middle powers, such as Australia.

Relevant to our overall business model, SPV 1 includes two companies that have long been held on the Group's Treasury balance sheet. The launch therefore represents the first step in our corporate strategy to leverage the balance sheet to progressively build annuity revenue, and we hope SPV 1 to be the first of a number of SPVs issued over the coming years.

Powerhouse Venture Partners applies a private equity approach to late-stage venture investing, with a three-to-five-year investment horizon and active support for portfolio companies through commercialisation. It extends the Group's Merchant Capital approach, already proven in listed resources, into technology.

Our business is supported by an expanding international and industry network, including:

- links into Korea and Japan through New Electric Partners, for which PVL acts as AFSL holder under a corporate authorised representative arrangement;
- Defence and space sector relationships; and
- Jim Bancroft as strategy support – Jim was formerly Director of Strategy and Business Development at Northrop Grumman Australia and Director Strategy at Hanwha Defence Australia.

Conclusion

This was a quarter of solid execution and important strategic progress. Operating profit pre-tax rose 46%, Advisory completed three transactions and, with the launch of Powerhouse Venture Partners, the Group now has three client-facing business units. Our model aligns the interests of our shareholders, investors and staff, and we co-invest alongside our clients on the same terms, as we did with Sightec. We look forward to building on this momentum through our advisory pipeline, new capital raising for the Aliwa Alpha Fund and Powerhouse Venture partners investment product.

James Kruger

Executive Chairman

ENDS

This announcement was authorised for release by the Board of Powerhouse Ventures Limited.

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About Powerhouse Ventures Limited

The Powerhouse Group is a high conviction, specialty investment house with an expanding range of funds management products, advisory and capital syndication services, and capital markets support. We focus on asset classes that are in short term market dislocation and under-appreciated and / or represent the next frontier of growth opportunity. We have high conviction on listed small caps, Australian carbon projects and technologies that will develop into critical infrastructure.

For further information

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Forward looking statements

All statements other than statements of historical fact including, without limitation, statements regarding projections, future plans and objectives of PVL, are forward-looking statements. When used in this announcement, forward-looking statements can be identified by words such as 'anticipate', 'believe', 'could', 'estimate', 'expect', 'future', 'intend', 'may', 'opportunity', 'plan', 'in principle', 'potential', 'project', 'seek', 'will' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions and assumptions regarding future events. Such forward-looking statements are not guarantees of future performance. They involve risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Powerhouse Group of Companies, its Directors and Management that could cause the actual results to differ materially from the results expressed or anticipated in these statements.

The Powerhouse Group of Companies cannot and does not give any assurance that the results, performance or achievements expressed or implied by these forward-looking statements will actually occur and investors are cautioned not to place any reliance on these forward-looking statements. The Powerhouse Group of Companies does not undertake to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained above, except where required by applicable law and securities exchange listing requirements.

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Quarterly Cashflow Report (Appendix 4C)
Quarter Ended: 30 September 2026

Statement of cash flows

	1 Cash flows from operating activities	Current quarter $AUD'000	Year to date $AUD'000
1.1	Receipts from customers	708	708
1.2	Payments for		
	(a) research and development	-	-
	(b) product manufacturing and operating costs	(94)	(94)
	(c) advertising and marketing	(9)	(9)
	(d) leased assets	-	-
	(e) staff costs	(429)	(429)
	(f) administration and corporate costs	(204)	(204)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	3	3
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	(207)	(207)
1.7	Government grants and tax incentives	-	-
1.8	Net movement in client funds held pending transfer	-	-
1.9	**Net cash from / (used in) operating activities**	**(232)**	**(232)**

	2 Cash flows from investing activities	Current quarter $AUD'000	Year to date $AUD'000
2.1	Payments to acquire:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	(25)	(25)
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.2	Proceeds from disposal of:	-	-
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	567	567
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	**Net cash from / (used in) investing activities**	**542**	**542**

	3 Cash flows from financing activities	Current quarter $AUD'000	Year to date $AUD'000
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(3)	(3)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material) (i)	-	-
3.10	**Net cash from / (used in) financing activities**	**(3)**	**(3)**

	4 Net increase / (decrease) in cash and cash equivalents for the period	Current quarter $AUD'000	Year to date $AUD'000
4.1	Cash and cash equivalents at beginning of period	1,089	1,089
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(232)	(232)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	542	542
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(3)	(3)
4.5	Effect of movement in exchange rates on cash held		
4.6	**Cash and cash equivalents at end of period**	**1,396**	**1,396**

	5 Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter $AUD'000	Previous Quarter $AUD'000
5.1	Bank balances	1,396	1,089
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	**Cash and cash equivalents at end of quarter**	**1,396**	**1,089**

	6 Payments to related parties of the entity and their associates	Current quarter $AUD'000
6.1	Aggregated amount of payments to related parties and their associates included in item 1	309
6.2	Aggregated amount of payments to related parties and their associates included in item 2	-

Includes wages, superannuation, contractor costs and director fees paid to Executive and Non-Executive directors or their associates

	7 Financing facilities available Note: the term 'facility' includes all forms of financing arrangements available to the entity.	Total facility at quarter end	Amount drawn at quarter end
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end	-	-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

	8 Estimated cash available for future operating activities	$AUD'000
8.1	Net cash from / (used in) operating activities (Item 1.9)	(232)
8.2	Cash and cash equivalents at quarter end (Item 4.6)	1,396
8.3	Unused finance facilities available at quarter end (Item 7.5)	-
8.4	Total available funding (Item 8.2 + Item 8.3)	1,396
8.5	**Estimated quarters of funding available (Item 8.4 dividend by Item 8.1)**	6
8.6	If Item 8.5 is less than 2 quarters, please provide answers to the follo wing questions:	
	1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: N/A	
	2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer:	
	3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	Answer:	

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies that comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: 30 October 2026

Authorised by: The Board of Powerhouse Ventures Limited

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 107: Statement of Cash Flows apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the name of board committee – e.g. Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure comm ittee, you can insert here: "By the Disclosure Committee".

5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's Corporate Governance Principles and recommendations, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.