



THORNEY

OPPORTUNITIES
TOP

THORNEY OPPORTUNITIES LTD

1H22 Results

February 2022

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ABOUT TOP

Thorney Opportunities Ltd (TOP) is an ASX-listed investment company that invests in listed and unlisted equities and financial assets, in a variety of sectors, including media, automotive, energy, engineering and mining services and financial services.

Our primary focus is on the careful selection of investments which enables us to be a constructive catalyst towards unlocking the value in the companies identified. TOP is managed by the privately owned Thorney Investment Group pursuant to a long-term investment management agreement.



01

Producing absolute
returns for shareholders
over the medium- to
long-term



02

Delivering a strong
fully franked
dividend stream to
shareholders

OUR INVESTMENT PHILOSOPHY

We undertake thorough due diligence to identify fundamentally mispriced or undervalued companies and combine that with constructive advocacy with boards and management to implement change when required.

KEY 1H FY22 HIGHLIGHTS

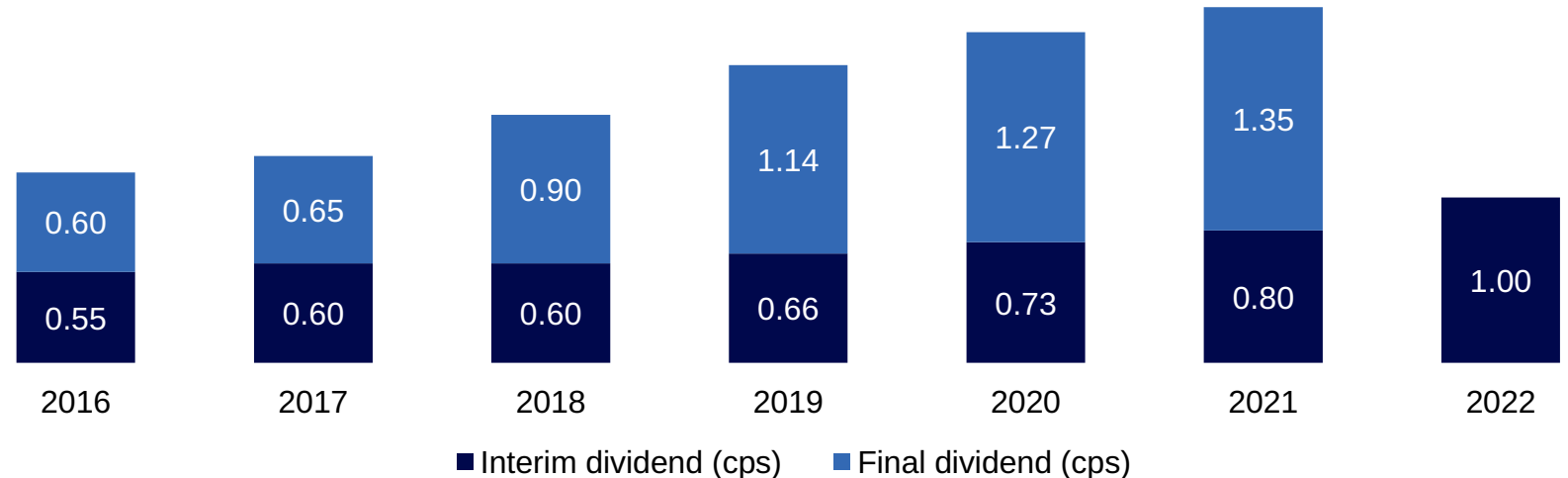


Net profit after tax for the half year	\$6.9m	
Fully franked interim dividend per share	1.00 cent	Up 25.0% on 1H21
NTA per share (before tax)	75.3 cents	Up 3.0% on 1H21
NTA per share (after tax)	72.6 cents	Up 3.1% on 1H21
Total shareholder return incl. final dividend paid Sept. 2021		Up 4.7% for the six months ended 31 December 2021

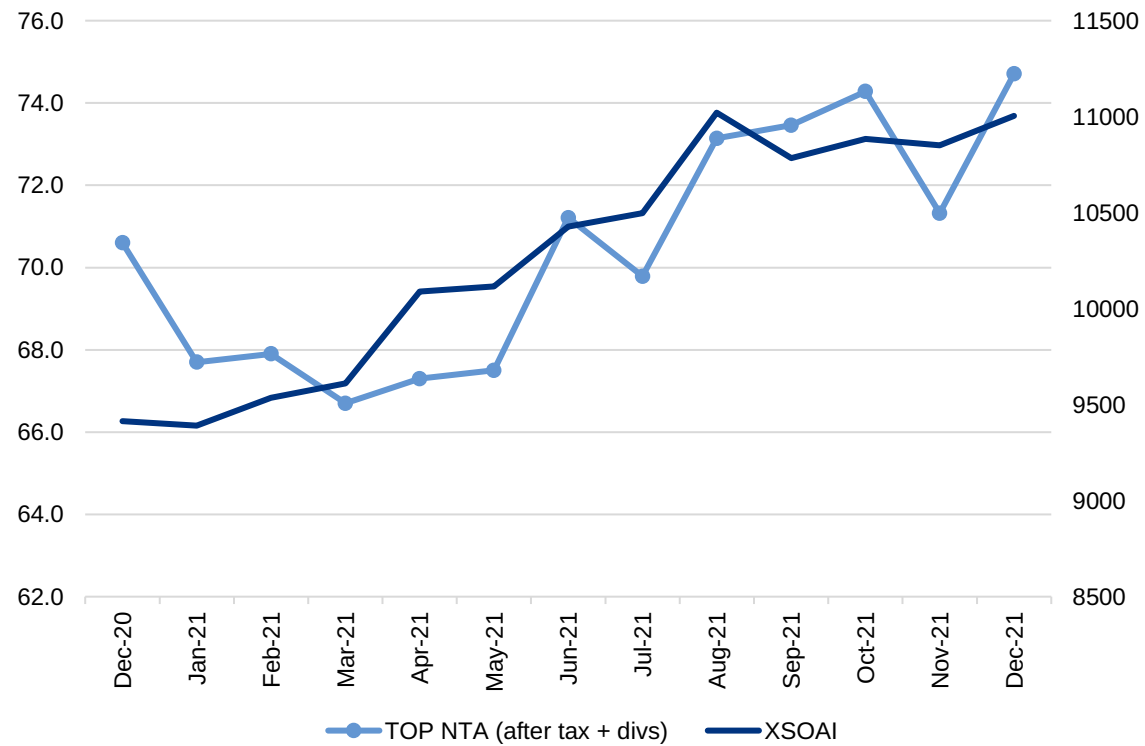
The 1H22 dividend has been increased as TOP is endeavouring to move towards equalising the interim and final dividends.

Subject to performance, TOP continues to anticipate growth in total dividends for FY2022.

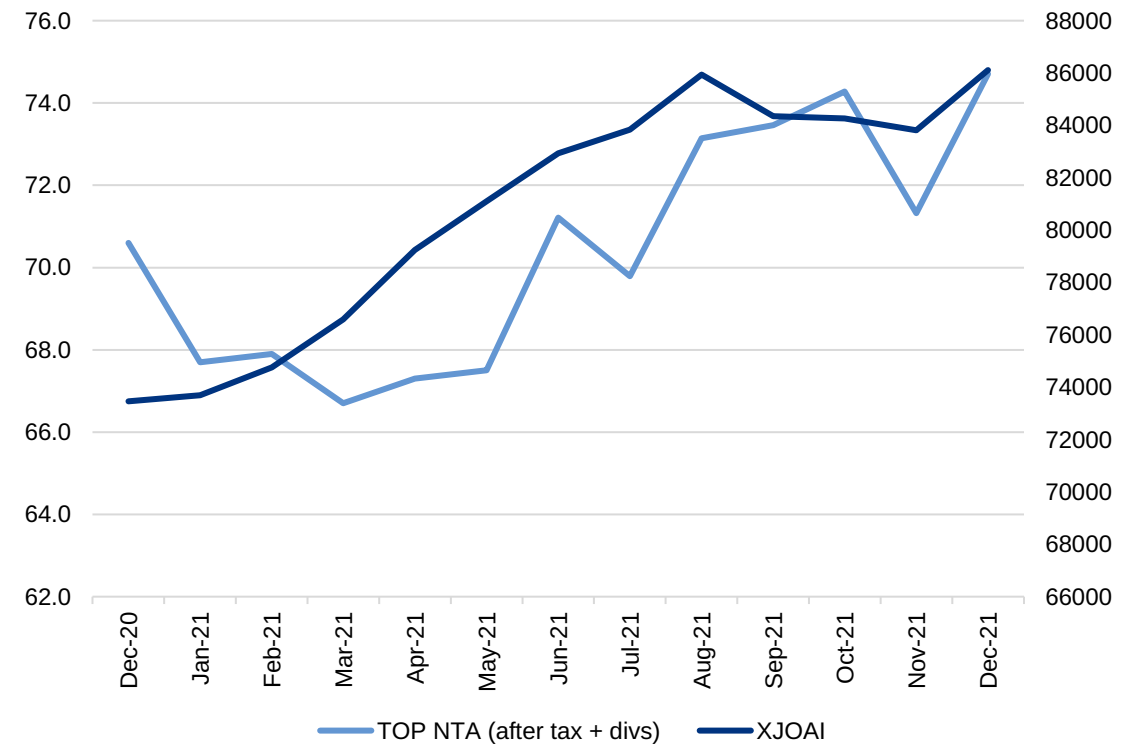
TOP Fully Franked Dividend History



TOP NTA V S&P SMALL ORDINARIES ACCUM. INDEX
12 MONTHS TO 31 DECEMBER 2021



TOP NTA V S&P/ASX 200 ACCUM. INDEX
12 MONTHS TO 31 DECEMBER 2021



During the half, TOP grew its NTA by 3.1% and NTA growth continued in January and February. Including the final dividend paid in September 2021, total returns for shareholders were 4.7%.

TOP's second largest holding Money3 Corporation Ltd. (ASX:MNY) continues to grow its market share both organically and through acquisition and had a strong share price performance and increased dividend during 1H22.

Increase in the carrying value of our investment in Australian Community Media due to a number of factors, including: a strong underlying performance combined with the distribution from PRT Company Ltd (formerly Prime Media Group Ltd) (ASX:PRT) following completion of Seven West Media Ltd's (ASX:SWM) acquisition of the regional media business and assets of PRT, and completion of a refinance of ACM's debt facilities.

Portfolio exposure to the infrastructure and resource services sector was underlined during the half year, with strong performances from key portfolio holdings Austin Engineering Ltd (ASX:ANG) and MMA Offshore Ltd (ASX:MRM).

Other positive portfolio contributors were Ardent Leisure Group Ltd (ASX:ALG) and Maggie Beer Holdings Ltd (ASX:MBH).

Disappointingly, Palla Pharma Ltd (ASX:PAL) announced in December that it was entering into voluntary administration leading to TOP writing down its investment to nil. This impacted TOP's NTA by 2.8 cents per share.

AMA Group Ltd was severely impacted by COVID-19 during the half with reduced repair volumes in its key markets of New South Wales and Victoria. TOP assisted the company with a recapitalisation of the Company's balance sheet, completed in October 2021.

TOP 10 INVESTMENTS AS AT 31 DEC 2021



RANK	COMPANY	% OF PORTFOLIO
1	20 Cashews Pty Ltd (ACM)*	22.15
2	Money3 Corporation	18.18
3	MMA Offshore	7.37
4	Austin Engineering	7.34
5	AMA Group	6.46
6	Southern Cross Electrical Engineering	5.99
7	Consolidated Operations Group	4.58
8	Decmil Group	4.54
9	Retail Food Group	4.30
10	Service Stream	3.64

*TOP's investment in ACM is via its holding of 20 Cashews Pty Ltd which has an underlying investment in ACM.

OUTLOOK

We remain excited about ACM and the next phase of transformation and the future growth opportunities which exist for the company.

TOP remains optimistic about its second largest portfolio holding, Money3 Corporation (ASX:MNY) as it continues to pursue growth in its loan book to \$1 billion and beyond and further franked dividends for shareholders.

We are encouraged by the earnings potential of the infrastructure and resource services portfolio companies.

Our focus remains on reducing and eliminating the discount of our share price to NTA and undertaking a number of efforts in order to achieve this including greater communication with our shareholders and an active on-market buyback.



CONTACT

Corporate

Craig Smith, Company Secretary

E: craig.smith@thorney.com.au

T: + 61 3 9921 7116

Investors

Gabriella Hold, Market Eye

E: gabriella.hold@marketeye.com.au

T: + 61 411 364 382