

INVESTMENT UPDATE AND NTA REPORT NOVEMBER 2022



PORTFOLIO SNAPSHOT: NET TANGIBLE ASSET BACKING PER SHARE (NTA)

NTA Current Month	Before Tax ¹	After Tax ¹
30-Nov-22	72.7 cents	70.4 cents

NTA Previous Month	Before Tax ¹	After Tax ¹
31-Oct-22	72.0 cents	69.9 cents

¹ Figures are unaudited and approximate.

KEY ASX INFORMATION (AS AT 30 NOVEMBER 2022)

ASX Code	TOP
Structure	Listed Investment Company
Inception date	January 2014
Market Capitalisation	\$103.8 million
Share Price	54 cents
Shares on Issue	192,190,574
Dividends	Half yearly
Management Fee	0.75% half yearly
Performance Fee	20% of net NTA increase over pcp
Manager	Thorney Investment Group

INVESTMENT PERFORMANCE*

As at 30 November 2022	3 Months	6 Months	1 Year	Since Inception
TOP investment portfolio	-1.82%	3.64%	3.58%	9.05%
S&P Small Ordinaries Accum. Index	-0.81%	-3.37%	-14.02%	8.78%
Performance versus Index	-1.01%	7.01%	17.60%	0.27%

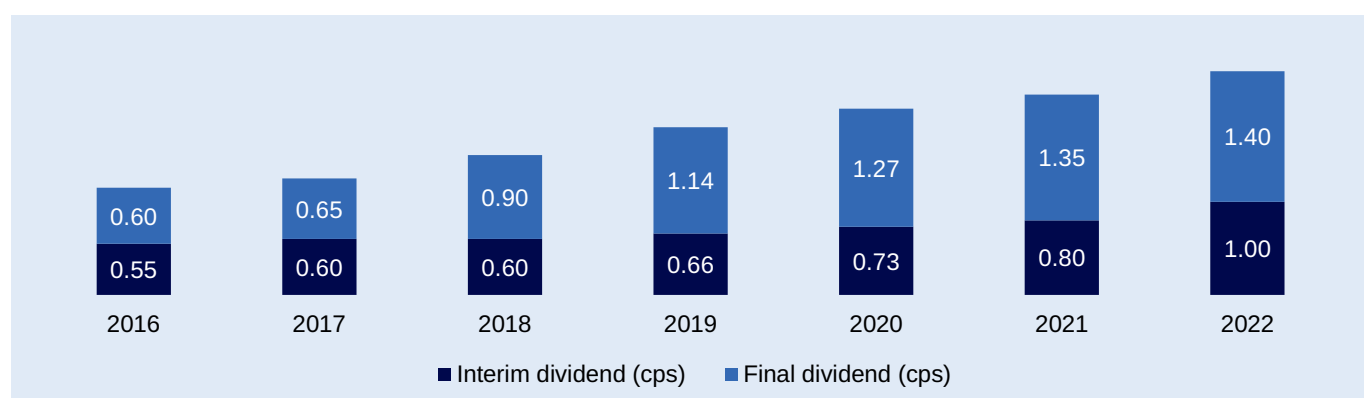
* Investment performance is calculated on a pre-tax NTA plus dividends basis.

TOP SECURITIES

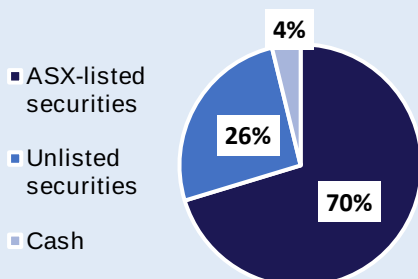
Rank	Company	% of Portfolio
1	20 Cashews Pty Ltd (ACM)*	26.4
2	MMA Offshore	14.9
3	Austin Engineering	11.8
4	Money3 Corporation	10.9
5	Southern Cross Electrical Engineering	7.4
6	Consolidated Operations Group	4.8
7	Retail Food Group	4.4
8	Service Stream	4.1
9	AMA Group	3.4
10	Decmil Group	2.8

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

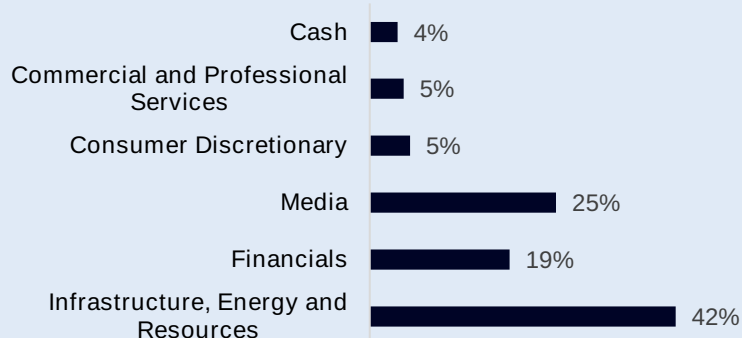
TOP FULLY FRANKED DIVIDEND HISTORY



ALLOCATION OF INVESTMENTS



PORTFOLIO SECTORS



MMA OFFSHORE LIMITED

- On 2 December 2022, MMA Offshore Limited (MRM.ASX) announced it had completed the sale of its shipyard facility in Batam, Indonesia, which increased its NTA by approximately 5 cents per share from 30 June 2022.
- Final instalment of the US\$15 million purchase price will be applied against the Company's debt facility.
- Balance sheet strength is confirmed with net debt at less than one times FY22 EBITDA, and the Company can consider capital management initiatives, including dividends.

COG FINANCIAL SERVICES LIMITED

- COG Financial Services Limited (COG.ASX) announced the appointment of Richard Balzer as Chief Financial Officer, effective 7 November 2022.
- COG said Mr. Balzer was previously CFO of MKM (part of ASX-listed financial services firm MA Financial Group Limited – ASX.MAF) and has deep experience in financial services including similar roles at Pepper Money Limited (ASX.PPM) and Macquarie Bank Limited (ASX.MQG).
- In addition, Mr. Balzer held senior finance roles at Coca Cola Amatil Limited (ASX.CCL) and Campbell Arnott's.

COOPER ENERGY LIMITED

- Cooper Energy Limited (ASX.COE) reaffirmed its FY23 production and underlying EBITDAX (earnings before interest, taxes, depreciation, amortisation, and exploration expense) guidance, following scenario modelling on year-to-date actual and forecast production.
- The Company is forecasting FY23 production of 3.7 to 4.0 Mmboe (millions of barrels of oil equivalent) (+12% to +21% on FY22) and underlying EBITDAX of \$80.8 million (+49% to +86% on FY22).
- COE also reaffirmed capex guidance for FY23 of \$19.5 million (+44% to +69% on FY22).
- It also has three separate and interlinked work streams underway to bring the operatorship of the Orbest Gas Processing Plant (OGPP) into the Company and further improve performance as soon as possible following the acquisition of OGPP from APA Group (ASX.APA) in June 2022.
- COE also signed a long-term, gas sales agreement (GSA) with AGL Energy Limited (ASX.AGL) to supply up to 10 petajoules of natural gas per annum, for a term of up to six years.

20 CASHEWS PTY LTD

- On 3 November 2022, View Media Group (VMG) completed the acquisition of AD Group, a purpose-built proprietary portal for off-the-plan apartment developments and house & land sales.
- The acquisition of AD Group, following the earlier completion of the acquisition of The Today Business, continues the execution of VMG's strategic plan of consolidating the proptech sector.
- 20 Cashews has a substantial interest in VMG.
- 20 Cashews entered into an unconditional contract to sell its former print site located in Fyshwick, ACT, a further piece of real estate. The sale is expected to settle in mid-February.
- 20 Cashews' wholly-owned Australian Community Media (ACM) business continues to grow the digital subscriber base across its network, including its important agri-publications, which comprise titles such as The Land and Queensland Country Life.

MAGGIE BEER HOLDINGS LIMITED

- Maggie Beer Holdings Limited (MBH.ASX) issued a November trading update on 8 December 2022, with the Company reporting net sales growth of 3.8% in November 2022 versus the COVID induced highs of November 2021, and 22.7% growth over November 2020 (pro forma basis). Q2 FY23 net sales to the end of November 2022 are 3.3% ahead of Q2 FY22, with the key December period trading still to come.
- Hampers & Gifts Australia launched its chilled cheese and entertaining hampers in March 2022, and this range has already recorded over \$1.1m in sales YTD as at November 2022 and grew by 105% in Q1 FY23 over Q4 FY22.
- Paris Creek Farms net sales November 2022 YTD have grown 13% over the same period last year. Given the increasing demand for the Group's cheese products, the Company is assessing the value of this farm asset in supporting the growth in cheese volumes.
- MBH has paid its 1c per share Return of Capital, in lieu of dividend, to shareholders on 25 November 2022, following approval by shareholders at its 2022 AGM. Group Cash position after Return of Capital was \$6.9m at end November.

AMA GROUP LIMITED

- AMA Group Limited (AMA.ASX) announced that it has reached agreement with its largest customer, Suncorp Group Limited (SUN.ASX) on pricing for services provided by AMA's Capital S.M.A.R.T division for the period October 1, 2022 to June 30, 2023.
- Capital S.M.A.R.T Repairs specialise in performing high quality repairs to drivable vehicles that have sustained low to medium collision damage.
- The interim pricing package reflects cost inflation being experienced by motor repairers and provides incentives for AMA Group to expand capacity within Capital S.M.A.R.T to accept more drivable repairs from Suncorp. They also continue to reflect a volume-based discount to current market pricing.
- AMA Group reiterated that it expects to meet its current FY23 earnings guidance of EBITDA of between \$70 million to \$90 million, reflecting the Board and managements' optimism for the future.

EARLYPAY LIMITED

- Earlypay Limited (EPY.ASX) released FY23 outlook and guidance with the Company saying it expected strong organic growth momentum this financial year, offset by higher provisioning and funding costs.
- EPY said FY23 NPBTA (net profit before tax and amortisation) is expected to be flat on FY22's level of \$16.8 million, due to strong organic growth in Funds in Use (FIU) for invoice finance being offset by a lower net interest margin.
- It added that funding structure improvements that: 1) significantly reduce interest expense, 2) mitigate the residual interest rate mismatch, 3) release additional equity, and 4) support future growth are expected to be finalised in Q4 of FY23, benefitting FY24 and beyond.
- EPY said given the strong growth profile of the business, it is the Board's current intention to maintain a similar dividend per share to FY22 of 3.2 cents per share. This will likely require a higher payout ratio in FY23 as earnings per share will be adversely affected by a higher tax rate.
- The Company also expects significant funding improvements for FY24 and beyond.

INVESTMENT PHILOSOPHY

TOP undertakes 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.

INVESTMENT OBJECTIVES

- Producing absolute returns for shareholders over the medium- to long-term
- Delivering a strong fully franked dividend stream to shareholders

KEY CONTACTS

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ABOUT THORNEY OPPORTUNITIES LTD

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.

You can invest in TOP by purchasing shares on the Australian Securities Exchange (ASX).

For more information visit: <https://thorney.com.au/thorney-opportunities/>

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