

Thorney Opportunities Ltd

ABN 41 080 167 264

Appendix 4D and
2023 Half-Year
Financial Statements



THORNEY OPPORTUNITIES LTD

ABN 41 080 167 264

APPENDIX 4D (Listing Rule 4.2A3)

RESULTS FOR ANNOUNCEMENT TO THE MARKET (All comparisons to half-year ended 31 December 2021)

	\$'000	Movement \$'000	Up/ Down	Movement %
Income from ordinary activities	16,715	5,194	Up	45%
Profit before tax for the year	12,653	4,428	Up	54%
Profit after tax for the year	10,114	3,237	Up	47%

Dividend information	Amount per share (cents)	Franked amount per share (cents)	Tax rate for franking credit
2023 Interim dividend per share	1.05	1.05	25.0%
2022 Final dividend per share	1.40	1.40	25.0%
2022 Interim dividend per share	1.00	1.00	25.0%

2023 Interim dividend dates

Ex-dividend date	14-Mar-23
Record date	15-Mar-23
Interim dividend payment date	31-Mar-23

The Company's Dividend Reinvestment Plan (DRP) will not apply to the 2023 Interim dividend.

	31-Dec-22	30-Jun-22	31-Dec-21
Net tangible asset backing per ordinary share	70.5 cents	66.4 cents	72.6 cents

This report should be read in conjunction with the *Thorney Opportunities Ltd 2022 Annual Report*.

Additional information supporting the Appendix 4D disclosure requirements can be found in the Directors' Report and the financial statements for the half-year ended 31 December 2022.

This report is based on the financial statements for the half-year ended 31 December 2022 which have been reviewed by Ernst & Young.

Company particulars

Thorney Opportunities Ltd is a disclosing entity under the *Corporations Act 2001* and currently considered an investment entity pursuant to ASX Listing Rules. The Company is primarily an investor in listed equities on the Australian securities market.

ASX Code:	TOP
Security:	Thorney Opportunities Ltd fully paid ordinary shares
Directors:	Alex Waislitz, Chairman Ashok Jacob Henry Lanzer AM Dr Gary Weiss AM
Secretary:	Craig Smith
Country of incorporation	Australia
Registered office:	Level 39, 55 Collins Street Melbourne Vic 3000
Contact details:	Level 39, 55 Collins Street Melbourne Vic 3000 T: + 613 9921 7116 F: + 613 9921 7100 E: craig.smith@thorney.com.au W: www.thorneyopportunities.com.au
Investment Manager:	Thorney Management Services Pty Ltd Level 39, 55 Collins Street Melbourne Vic 3000 AFSL: 444369
Auditor:	Ernst & Young 8 Exhibition Street Melbourne Vic 3000
Lawyers:	Arnold Bloch Leibler Level 21, 333 Collins Street Melbourne Vic 3000
Share Registry:	Computershare Yarra Falls, 452 Johnston Street, Abbotsford T: + 613 9415 5000 F: + 613 9473 2500 W: www.computershare.com.au For all shareholder related enquiries please contact the share registry.

Contents

Chairman's letter	4
Directors' report	6
1. Directors	6
2. Principal activities	6
3. Review of operations	6
4. Subsequent events	7
5. Auditor's independence declaration	7
Auditor's independence declaration	8
Statement of comprehensive income	9
Statement of financial position	10
Statement of change in equity	11
Statement of cash flows	12
Notes to the financial statements	13
Directors' declaration	19
Independent auditor's review report	20

Chairman's letter

Dear fellow Shareholders

I am pleased that the TOP investment portfolio performed soundly in 1H FY23 in the face of volatile global markets as ongoing inflation and interest rate concerns continued to plague investors.

TOP finished the half-year ended 31 December 2022 up 9.97%, outperforming the S&P Small Ordinaries Accumulation Index which gained 7.03%, an outperformance of 2.94%.

This performance reflects our investment strategy. TOP aims to deliver positive returns to shareholders over the medium to long term through the careful selection of investments which enables us to be a constructive catalyst towards unlocking the value in the companies identified.

There are a number of examples in the portfolio where this has been the case, in particular in the infrastructure and resource services sector, with many enjoying strong returns over the half.

Some of the larger listed holdings, MMA Offshore Ltd (MRM.ASX) and Austin Engineering Ltd (ANG.ASX), were key contributors as conditions in the resources sector continue to be buoyant.

Both companies, along with Southern Cross Electrical Engineering Ltd (SXE.ASX) are enjoying strong order books with ANG increasing production capacity due to its strong pipeline and SXE winning a number of new contracts.

We are optimistic on the ability of these firms to deliver exceptional earnings performance in the future. MRM also enjoys a strong balance sheet, and the Company can consider capital management initiatives, including dividends.

Retail Food Group Ltd (RFG.ASX) was also a strong performer during the half with an improvement in market conditions driving positive momentum after a challenging few years due to COVID-19. We are confident that RFG's earnings performance will be stronger in FY23 as conditions continue to improve.

In addition, the resolution of the Federal Court of Australia proceeding commenced by the ACCC against RFG and its various entities provides the Company with the opportunity to focus on the future, including the execution of various commercial initiatives designed for the benefit of all stakeholders.

Money3 Corporation Ltd changed its name to Solvar Ltd (SVR.ASX) with the new name better reflecting the Company's operations. SVR continues to make solid progress towards its goal of growing its loan book well beyond \$1 billion and is well capitalised to take advantage of acquisition opportunities.

Our largest unlisted holding, Australian Community Media (20 Cashews) launched View Media Group (VMG) in August – a global-first conglomerate of prop-tech assets including portals, ad tech, lead generation, lead management solutions, media planning and buying, AI services, data, and connections – to form a true disruptor in the rapidly evolving prop-tech sector.

The launch followed an investment of cash and media services by Seven West Media Limited (SWM.ASX). VMG initially included a 72% stake in search portal realestateview.com.au (REV), with minority investments in market-leading AI and data business Propic and the utilities comparison and connection business Beevo. During the half, VMG completed the acquisition of leading prop-tech company, The Today Business and AD Group, a purpose-built property portal for off-the-plan apartment developments and house & land sales.

On 6 February 2023, ANZ (ASX.ANZ) also invested \$50 million in VMG, a step which validates the Company's ambitions to disrupt the real estate transaction market.

ACM also continues its ongoing rationalisation of the publication portfolio, disposal of surplus real estate and further investment in the digital subscription business. TOP has revised the carrying value of the 20 Cashews investment up to approximately \$37 million.

TOP's after-tax gains were \$10.1 million, up 47.1% on the previous corresponding period.

Net tangible assets (NTA) after tax and fees at 31 December 2022 stood at 70.5 cps – a decrease of 2.9% on the 1H FY22.

Directors have declared a fully franked interim dividend of 1.05 cents per share, an increase of 5% compared to the 1H FY22 of 1.00 cents per share.

The higher dividend payout is in line with TOP's previously stated aim of delivering increased dividends to shareholders whenever possible over time.

Whilst I am very optimistic about TOP's long-term growth prospects, like all shareholders, I remain disappointed that TOP's share price has continued to trade below its NTA. Directors, the investment team, and I remain focused on initiatives to eliminate the discount, including the on-going share buyback.

Chairman's letter (continued)

Outlook

Whilst equity markets have enjoyed a modest rally in the new year, we expect uncertainty and volatility to prevail over the months ahead due to signs of a deterioration in corporate earnings and leading economic indicators and as interest rate hikes start to have an impact.

Against this backdrop, we believe TOP's exposure to the infrastructure and resources services sector will benefit as investors continue to relocate capital to the energy and materials sector.

With a constant eye on the macro, TOP continues to seek out more potential gems while at the same time adjusting our portfolio positions in line with our value models, selling down when we believe prices have become overheated and adding to holdings when we think selling has been overdone.

As always, our goal will remain to keep delivering positive returns for TOP shareholders over time.

My sincere thanks go to my fellow TOP Directors, to the outstanding Thorney investment management team and to all TOP shareholders for your continued support.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Alex Waislitz', with a long horizontal flourish extending to the right.

Alex Waislitz
Chairman
22 February 2023

Directors' report

The directors present their report, together with the financial statements of Thorney Opportunities Ltd (TOP or Company) for the half-year ended 31 December 2022 and the auditor's review report thereon. The financial statements have been reviewed and approved by the directors on the recommendation of the Audit and Risk Committee.

1. Directors

The directors of TOP in office during the half-year and at the date of this report are as follows:

<u>Name:</u>	<u>Period of Directorship:</u>
Alex Waislitz	Director since 21 November 2013
Ashok Jacob	Director since 21 November 2013
Henry Lanzer AM	Director since 21 November 2013
Dr Gary Weiss AM	Director since 21 November 2013

2. Principal activities

Thorney Opportunities Ltd is an investment company listed on the Australian Securities Exchange (ASX:TOP) and its principal activity is making investments in listed and unlisted securities.

3. Review of operations

For the half-year under review the Company recorded a net gain after tax of \$10,114,298 compared to the previous corresponding half-year period gain of \$6,876,847.

TOP's half year result mainly reflects an increase in the market value of its listed securities portfolio with strong returns in the infrastructure and resource service sectors. TOP's investment in 20 Cashews Pty Ltd (which owns Australian Community Media Group (ACM) and is a significant shareholder in View Media Group (VMG)), also contributed to the overall result with a small increase to its fair value.

TOP's five largest listed portfolio holdings (MRM, SVR (previously MNY), ANG, SXE, RFG), represent circa 50% of the TOP's portfolio and 20 Cashews Pty Ltd 27%.

The Net Tangible Asset Backing per share (NTA) after tax as at 31 December 2022 was 70.5 cents per share compared with 66.4 cents per share as at 30 June 2022. These figures are after dividend payments of 1.40 cents per share during 2023 financial year (2022: 1.35 cents).

A 2022 Final dividend of 1.40 cents per share fully franked was paid during the period and a 2023 interim fully franked dividend of 1.05 cent per share has been declared by the Board and will be paid on 31 March 2023.

During the half-year period, the Company lodged change of interest of substantial holder notices for TNY, ANG, MRM, ISU & MSB.

As at 31 December 2022, the On-Market Share Buy-Back (announced on 3 February 2021) has resulted in a total of 6,987,976 shares being bought back at a cost of \$3,703,187, at an average of 53.0 cents per share. The buy-back period ceased on 18 February 2023.

The Company announced on 20 February 2023 that it intends to commence a new on-market share buy-back program for a period of 12 months from 8 March 2023 to 7 March 2024 (unless the maximum number of shares are bought back prior to such date or TOP decides to cease the buy-back in its absolute discretion).

Directors' report (continued)

4. Subsequent events

There were no events subsequent to balance date.

5. Auditor's independence declaration

The Auditor's independence declaration, as required under section 307C of the *Corporations Act 2001*, is set out on the following page.

Signed in accordance with a resolution of directors:

A handwritten signature in blue ink, appearing to read 'Alex Waislitz', with a long horizontal stroke extending to the right.

Alex Waislitz
Chairman

Melbourne,
22 February 2023



**Building a better
working world**

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Auditor's independence declaration to the directors of Thorney Opportunities Ltd

As lead auditor for the review of the half-year financial report of Thorney Opportunities Ltd for the half-year ended 31 December 2022, I declare to the best of my knowledge and belief, there have been:

- a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review;
- b. No contraventions of any applicable code of professional conduct in relation to the review; and
- c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the review.

A handwritten signature in black ink that reads 'Ernst & Young' in a cursive script.

Ernst & Young

A handwritten signature in black ink that reads 'Tony Morse' in a cursive script.

Tony Morse
Partner
22 February 2023

Statement of comprehensive income

For the half-year ended 31 December 2022

	Note	December 2022 \$	December 2021 \$
Income			
Net changes in fair value of investments	2	14,971,555	9,764,302
Interest income	2	77,733	1,895
Dividend income	2	1,666,025	1,754,773
Total investment income	2	16,715,313	11,520,970
Expenses			
Management fees	7	(1,105,686)	(1,212,340)
Performance fees	7	(2,608,089)	(1,773,275)
Directors' fees		(85,638)	(85,140)
Finance costs		(7)	(980)
Fund administration and operational costs		(55,822)	(70,338)
Legal and professional fees		(153,397)	(110,961)
Other administrative expenses		(53,304)	(43,418)
Total expenses		(4,061,943)	(3,296,452)
Profit before income tax		12,653,370	8,224,518
Income tax expense	3	(2,539,072)	(1,347,671)
Total comprehensive gain for the half-year		10,114,298	6,876,847
Basic and diluted gain per share (cents)	11	5.23	3.47

The Statement of comprehensive income should be read in conjunction with the notes to the half-year financial statements.

Statement of financial position

As at 31 December 2022

	Note	December 2022 \$	June 2022 \$
ASSETS			
Current assets			
Cash and short-term deposits	6	6,180,239	3,485,665
Financial assets	5	99,603,349	90,762,394
Receivables		1,022	812,771
Prepayments		109,179	34,477
Current tax asset		212,145	-
Total current assets		106,105,934	95,095,307
Non-current assets			
Financial assets	5	37,723,160	37,407,130
Deferred tax assets		-	-
Total non-current assets		37,723,160	37,407,130
TOTAL ASSETS		143,829,094	132,502,437
LIABILITIES			
Current liabilities			
Payables and accruals	7	3,823,723	1,111,946
Total current liabilities		3,823,723	1,111,946
Non-current liabilities			
Deferred tax liabilities	4	4,627,701	2,088,629
Total non-current liabilities		4,627,701	2,088,629
TOTAL LIABILITIES		8,451,424	3,200,575
NET ASSETS		135,377,670	129,301,862
EQUITY			
Issued capital	9	99,198,922	100,524,637
Reserve		166,464,357	153,530,462
Accumulated losses		(130,285,609)	(124,753,237)
TOTAL EQUITY		135,377,670	129,301,862

The Statement of financial position should be read in conjunction with the notes to the half-year financial statements.

Statement of changes in equity

For the half-year ended 31 December 2022

	Issued capital \$	Profits reserve \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2022	100,524,637	153,530,462	(124,753,237)	129,301,862
Profit after tax for the half-year	-	-	10,114,298	10,114,298
Total comprehensive gain for the half-year	-	-	10,114,298	10,114,298
Transfer to Profits Reserve	-	15,646,670	(15,646,670)	-
<u>Transactions with shareholders:</u>				
Dividends paid	-	(2,712,775)	-	(2,712,775)
Share Buy-back	(1,325,715)	-	-	(1,325,715)
Total transactions with shareholders	(1,325,715)	(2,712,775)	-	(4,038,490)
Balance as at 31 December 2022	99,198,922	166,464,357	(130,285,609)	135,377,670

For the half-year ended 31 December 2021

	Issued capital \$	Profits reserve \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2021	102,356,034	135,763,063	(98,630,606)	139,488,491
Profit after tax for the half-year	-	-	6,876,847	6,876,847
Total comprehensive gain for the half-year	-	-	6,876,847	6,876,847
Transfer to Profits Reserve	-	15,680,359	(15,680,359)	-
<u>Transactions with shareholders:</u>				
Share buy back	(170,589)	-	-	(170,589)
Dividends paid	-	(2,672,494)	-	(2,672,494)
Total transactions with shareholders	(170,589)	(2,672,494)	-	(2,843,083)
Balance as at 31 December 2021	102,185,445	148,770,928	(107,434,118)	143,522,255

The Statement of changes in equity should be read in conjunction with the notes to the half-year financial statements.

Statement of cash flows

For the half-year ended 31 December 2022

	December 2022 \$	December 2021 \$
Cash from operating activities:		
Interest received	77,733	1,895
Dividends received	1,666,025	1,754,773
Proceeds from sale of trading investments	9,519,347	11,217,510
Payments for trading investments	(3,704,777)	(8,837,129)
Payments to suppliers and employees	(825,264)	(6,764,898)
Finance costs	-	(980)
Income taxes paid	-	(212,145)
Net cash provided by / (used in) operating activities	6,733,064	(2,840,974)
Cash flows from investing activities:		
Payments for long-term investments	-	(600,002)
Proceeds from repayment of investments	-	2,500,000
Net cash provided by investing activity	-	1,899,998
Cash flows from financing activities:		
Equity lending facility	-	5,000,000
Payment for Share Buy-Back costs	(1,325,715)	(170,589)
Dividends paid	(2,712,775)	(2,672,494)
Net cash (used in) / provided by financing activities	(4,038,490)	2,156,917
Net increase in cash held	2,694,574	1,215,941
Cash at the beginning of the year	3,485,665	2,710,406
Cash at the end of the year	6,180,239	3,926,347

The Statement of cash flows should be read in conjunction with the notes to the half-year financial statements.

Notes to the financial statements

The half-year financial statements of Thorney Opportunities Ltd for the half-year ended 31 December 2022 were authorised for issue in accordance with a resolution of the Board of Directors on 22 February 2023.

1. Summary of accounting policies

(a) Basis of preparation

The half-year financial statements are general purpose financial statements that have been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

The half-year financial statements do not include all of the information required for full-year statements. Accordingly, these financial statements should be read in conjunction with the financial statements for the year ended 30 June 2022 and any public announcements made by Thorney Opportunities Ltd during the half-year in accordance with the continuous disclosure requirements of the *Corporations Act 2001* and the *ASX Listing Rules*.

Changes in Accounting Standards

The accounting policies adopted in the preparation of the financial statements for the half-year ended 31 December 2022 are consistent with those of the most recent annual financial report. The impact of adopting any new or amended standards and interpretations that applied in 2022, was not material.

2. Total investment income (loss)

The major components of investment income in the Statement of comprehensive income are:

	December 2022	December 2021
Net realised loss of trading investments ¹	(25,742,294)	(2,843,699)
Gain that had been unrealised in prior period for trading investments which were realised in the reporting period ²	3,172,399	3,023,666
Unrealised gain/(loss) for change in fair value of:		
- Trading investments	37,228,961	(5,473,074)
- Long term investments	312,489	15,057,409
Net changes in fair value of investments	14,971,555	9,764,302
Interest income	77,733	1,895
Dividend income	1,666,025	1,754,773
Total investment income	16,715,313	11,520,970

¹ Net realised gains of trading investments is the difference between the selling price and the cost of the investments sold during the reporting period.

² Gain/(loss) that had been unrealised in prior period for trading investments which were realised in the reporting period, represents the 31 December 2022 unrealised fair value adjustments of investments sold in the reporting period.

Notes to the financial statements continued

3. Income tax

The income tax expense attributable to the half-year differs from the prima facie amount payable on the profit before tax expense. The difference is reconciled as follows:

	December 2022	December 2021
Current tax		
Current income tax expense / (benefit)	487,353	(2,861,279)
Deferred tax		
Origination and reversal of temporary differences	2,051,719	4,208,950
Income tax expense recognised in the Statement of comprehensive income	2,539,072	1,347,671
Profit before income tax	12,653,370	8,224,518
Prima facie tax expense on profit from ordinary activities before income tax at 25% (2022: 25%)	(3,163,343)	(2,056,130)
Deferred income tax benefit/(expense)		
- Imputation credits converted to losses	714,011	741,587
- Imputation credits on dividends received	(178,503)	(185,397)
- Adjustment for change in corporate tax rate	-	164,273
- Other adjustment	88,763	(12,004)
Income tax expense recognised in the Statement of comprehensive income	(2,539,072)	(1,347,671)

4. Deferred tax

	December 2022	June 2022
Deferred tax		
Financial assets	(9,688,557)	(7,155,692)
Long term financial assets	(8,995,341)	(8,917,218)
Business establishment costs	780	780
Other	666,112	18,081
Losses available for offsetting against future taxable income	13,389,305	13,965,420
Net deferred tax (liability)	(4,627,701)	(2,088,629)

At 31 December 2022, the Company has estimated unused gross revenue tax losses of \$53,557,220 (June 2022: \$55,861,680) that are available to offset against future taxable revenue profits, subject to continuing to meet relevant statutory tests and have been recognised as a deferred tax asset.

At 31 December 2022, the Company has estimated unused gross capital tax losses of \$30,714,821 (June 2022: \$30,714,821) for which no deferred tax asset has been recognised.

Notes to the financial statements continued

5. Fair value measurements

To reflect the source of valuation inputs used when determining the fair value of its financial assets and financial liabilities, the Company uses the fair value hierarchy prescribed in AASB 13 *Fair Value Measurement*:

Level 1:	quoted (unadjusted) prices in active markets for identical assets or liabilities. The fair value of these investments is based on the last sale price for the security as quoted on the relevant exchange;
Level 2:	valuation techniques using market observable inputs, either directly or indirectly. The fair value of assets and liabilities with short-term maturities are valued at the amount at which the asset or liability could be exchanged in a current transaction between willing parties; and
Level 3:	valuation techniques using non-market observable data with the fair value for investments based on inputs determined by Directors' valuation.

The fair value measurement hierarchy of the Company's financial assets and financial liabilities is as follows:

	December 2022	June 2022
Assets measured at fair value		
Level 1: Listed equities	99,603,349	90,762,394
Level 2: -	-	-
Level 3: Long-term financial assets ¹	37,723,160	37,407,130
Total financial assets	137,326,509	128,169,524
Total current	99,603,349	90,762,394
Total non-current	37,723,160	37,407,130
Liabilities measured at fair value	-	-
Level 1: -	-	-
Level 2: -	-	-
Level 3: -	-	-
Total financial liabilities	-	-

¹ The largest long-term financial asset is represented by the 25% ownership interest in 20 Cashews Pty Ltd (20C) which holds an underlying investment in the Australian Community Media Group (ACM) (incorporated in Australia). The fair value of TOP's investment in 20C is represented by the relative fair values of ACM (28%), 20C's investment in View Media Group (VMG) (46%), and surplus real estate assets (26%).

For assets and liabilities that are recognised at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Notes to the financial statements continued

5. Fair value measurements (continued)

Reconciliation of recurring fair value measurements categorised within Level 3 is as follows:

Financial assets:	Financial assets (20C) \$	Unlisted equities \$	Loan notes \$	Total \$
Balance at 1 July	36,327,950	1,029,180	50,000	37,407,130
Unrealised gain (loss) recognised in Statement of comprehensive income	666,260	(350,230)	-	316,030
Redemption of convertible notes	-	-	-	-
Long-term financial asset additions	-	-	-	-
Balance at 31 December 2022	36,994,210	678,950	50,000	37,723,160

6. Cash and short term deposits

	December 2022 \$	June 2022 \$
Cash at bank	6,180,239	3,485,665
Total cash and short term deposits	6,180,239	3,485,665

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between 1 day and 90 days, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates. The carrying value of Cash and short-term deposits approximates fair value.

7. Payables and accruals

	December 2022 \$	June 2022 \$
Management fee accrual (payable)	1,105,686	1,024,271
Performance fee accrual	2,608,089	-
Sundry creditors and accruals	109,948	87,675
Total payables and accruals	3,823,723	1,111,946

The Management fee and Performance fee is paid within 60 days of receiving an invoice from the Investment Manager. Sundry creditors are generally paid in accordance with the terms negotiated with each individual creditor. The carrying value of Payables approximates Fair Value.

Notes to the financial statements continued

8. Equity lending facility

	December 2022 \$	June 2022 \$
NAB - Margin lending facility	-	-
Total Equity Lending Facility	-	-

During the December 2021 period, the Company entered an Equity Lending Facility with National Australia Bank Ltd to provide margin lending finance for general investment purposes. The daily maximum amount of borrowing available to the Company is the collateral market value less a security ratio margin, up to a facility limit of \$10,000,000. For December 2022, the amount of drawdown on this facility is nil.

9. Issued capital

	December 2022 Number of shares	June 2022 Number of shares	December 2022 \$	June 2022 \$
(a) Ordinary shares				
Balance at 1 July	194,663,916	198,097,499	100,524,637	102,356,034
Share Buy-Back	(2,520,976)	(3,433,583)	(1,325,715)	(1,831,397)
Total issued and authorised capital	192,142,940	194,663,916	99,198,922	100,524,637

During the December 2022 period, the Company bought back 2,520,976 shares at a cost of \$1,321,651, at an average price of \$0.52 cents per share (excluding transaction costs). Since the buy-back announcement in February 2021, a total of 6,987,976 shares have been bought back at a cost of \$3,703,187, at an average of 53.0 cents per share.

10. Related party transactions

The following table provides the total amount of transactions which have been entered into with related parties during the six months ended 31 December 2022 and 2021.

	December 2022 \$	December 2021 \$
Services from and transactions with related parties¹		
<i>Entities with significant influence over the Company:</i>		
Thorney Management Services Pty Ltd ¹	3,713,775	2,985,615
TIGA Trading Pty Ltd	26,000	26,000
<i>Related parties of key management personnel of the Company:</i>		
Arnold Bloch Leibler	28,855	35,450

All related party transaction amounts are shown exclusive of GST.

¹ Under the Investment Management Agreement the Investment Manager, Thorney Management Services Pty Ltd, is entitled to a Base Fee based on total assets under management and a Performance Fee in respect of any annual Increase Amount. Based on the Increase Amount for the six months to 31 December 2022, a Performance Fee of \$2,608,089 has been accrued in the December 2022 Half-year financial statements (Dec 2021: \$1,773,275). The accrual includes GST after deduction of the reduced input tax credit. Refer to note 7.

Notes to the financial statements continued

11. Earnings per share

	December 2022	December 2021
Basic and diluted earnings (loss) per share (cents)	5.23	3.47
Gain used in calculating basic and diluted earnings (loss) per share (\$)	10,114,298	6,876,847
	2022 Number of Shares	2021 Number of shares
Weighted average number of ordinary shares used in calculating basic and diluted earnings (loss) per share	193,390,017	197,984,878

12. Dividends

Dividends paid and payable by the Company during the half-year:

	December 2022 \$	December 2021 \$
(a) Final Dividend FY 2022 A fully franked dividend of 1.40 cents per share for the year ended 30 June 2022 was paid on 30 September 2022	2,712,775	2,672,494
(b) Interim Dividend FY 2023 not recognised at half-year end Since the end of the half-year, the Directors have declared a 1.05 cent per share fully franked dividend which has not been recognised as a liability at the end of the half-year	2,011,449	1,977,968

13. Contingent liabilities

The Company has no contingent liabilities as at 31 December 2022 (2021: nil).

14. Subsequent events

There were no events subsequent to balance date.

Directors' declaration

In accordance with a resolution of directors of Thorney Opportunities Ltd, I state that:

1. In the opinion of the Directors:
 - (a) the financial statements and notes of Thorney Opportunities Ltd for the half-year ended 31 December 2022 are in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the financial position as at 31 December 2022 and of its performance for the half-year ended on that date; and
 - (ii) complying with Accounting Standards and the *Corporations Regulations 2001*;
 - (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

On behalf of the Board,

A handwritten signature in blue ink, appearing to read 'Alex Waislitz', with a long horizontal stroke extending to the right.

Alex Waislitz
Chairman

Melbourne,
22 February 2023



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Independent Auditor's Review Report to the Members of Thorney Opportunities Ltd

Report on the Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of Thorney Opportunities Ltd (the Company), which comprises the statement of financial position as at 31 December 2022, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that make us to believe that the half-year financial report of the Company does not comply with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Company's financial position as at 31 December 2022 and of its financial performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year financial report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Directors' Responsibility for the Half-Year Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility for the Review of the Half-Year Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Company's financial position as at 31 December 2022 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.



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A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

A handwritten signature in black ink that reads 'Ernst & Young' in a cursive script.

Ernst & Young

A handwritten signature in black ink that reads 'Tony Morse' in a cursive script.

Tony Morse
Partner

Melbourne
22 February 2023

