

INVESTMENT UPDATE AND NTA REPORT

FEBRUARY 2023



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

NTA Current Month	Before Tax ¹	After Tax ¹
28-Feb-22	30.8 cents	35.7 cents

NTA Previous Month	Before Tax ¹	After Tax ¹
31-Jan-22	30.2 cents	35.2 cents

¹ Figures are unaudited and approximate.

KEY ASX INFORMATION (AS AT 28 FEBRUARY 2023)

ASX Code	TEK
Structure	Listed Investment Company
Inception Date	January 2017
Market Capitalisation	\$82.9 million
Share Price	19.5 cents
Shares on Issue	425,041,104
Management Fee	0.75% half yearly
Performance Fee	20% of net portfolio increase over pcp
Manager	Thorney Investment Group

INVESTMENT PERFORMANCE

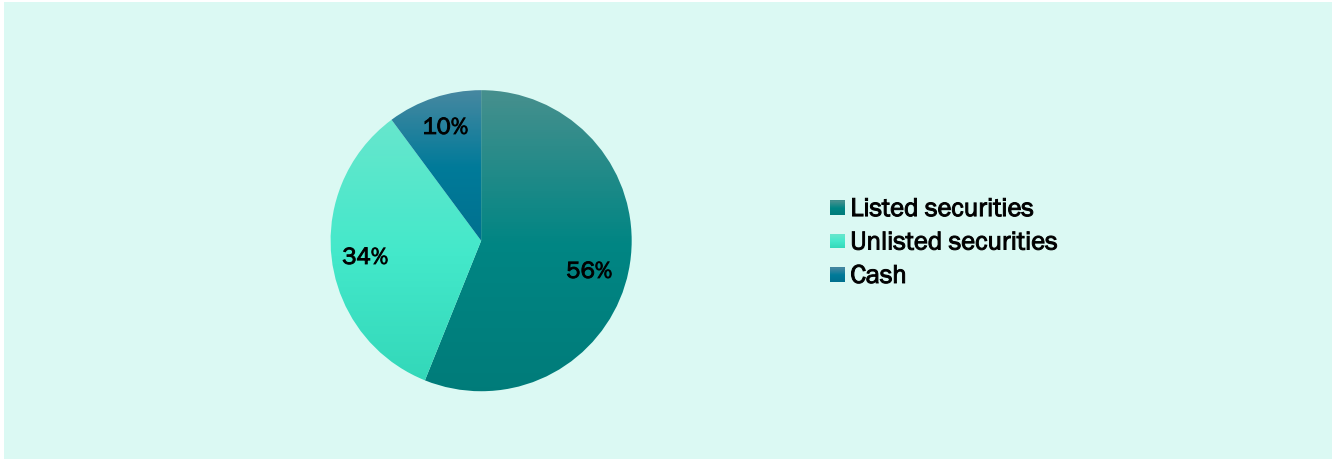
As at 28 Feb 2023	1 Month	1 Year	Since Inception
TEK investment portfolio	1.42%	-20.52%	11.59%
S&P Small Ordinaries Accum. Index	-3.7%	-7.97%	6.85%
Performance versus Index	5.12%	-12.55%	4.74%

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

TEK SECURITIES

LISTED SECURITIES				UNLISTED SECURITIES		
Rank	Company	Code	% of Total Portfolio	Rank	Company	% of Total Portfolio
1	Calix	CXL.ASX	13.5	1	Updater Inc.	7.0
2	Avita Medical	AVH.ASX	4.6	2	Aglive Group	1.9
3	Credit Clear	CCR.ASX	2.6	3	Mosh	1.5
4	Imugene	IMU.ASX	2.4	4	360 Capital Fibreconx Trust	1.4
5	Clarity Pharmaceuticals	CU6.ASX	2.3	5	Enlitic	1.3

ALLOCATION OF INVESTMENTS



LISTED SECURITIES

Below is a sample of company news released by some of the listed portfolio companies.

CALIX LIMITED

- Calix Limited (CXL.ASX) announced that a project led by UK clean shipping company, Windship Technology Limited in partnership with CXL’s subsidiary, Leilac, was awarded £5 million by The UK’s national innovation agency, Innovate UK, to demonstrate a novel route to zero carbon shipping.
- The Project aims to demonstrate:
 - a low-cost route to decarbonise shipping with a combination of renewably powered propulsion and a lime-based carbon capture solution for remaining emissions.
 - a decarbonisation solution for shipping that paves the way for zero emissions lime to be used for reducing or eliminating emissions from conventional diesel-powered vessels.
- The objective of the project is to design, develop, build and demonstrate a novel drive train system consisting of a single powerful wind propulsion device, working together with a trial carbon capture system to pave the route to zero emission propulsion for bulkers and tankers.
- As part of the funding, Leilac will receive a grant of £1 million for a work programme of £1.66 million to demonstrate the delivery of lime to an exhaust gas scrubber for CO2 capture.
- CXL says the shipborne carbon capture system will ultimately be designed to use highly reactive low emissions intensity lime, produced in an on-shore Leilac reactor, to capture CO2 from the ship’s exhaust gases.
- International shipping is responsible for ~2% of global CO 2 emissions.¹
- CXL reported a 21% increase in total revenue and other income increased to \$12.7 million in 1H23 (1H22: \$10.5 million), including a sales gross margin of 30% (1H22: 28%), with continuing revenue and margin contribution in the US and Asia Pacific from the Water line of business.
- The Company said its strong balance sheet and cash position of \$88.8 million (1H22: \$25.0 million) continues to support acceleration of its commercialisation strategy.
- **Thorney’s view: optimistic about CXL’s position to deliver superior returns due to its robust management team, solid agreement pipeline and promising technology.**

¹ <https://www.iea.org/reports/international-shipping>

CREDIT CLEAR LIMITED

- Credit Clear Limited (CCR.ASX) announced changes to its Board, with Non-Executive Director, Paul Dwyer to be appointed as Chairman, effective 1 March 2023.
- CCR said as the co-founder and Deputy Chairman of PSC Insurance (PSI.ASX), Paul brings an extensive knowledge and network of the insurance industry and his broader governance, business-building and transaction experience is highly valued and well-aligned with the Company’s strategic growth objectives.
- Current Chairman Hugh Robertson will continue on the Board as a Non-Executive Director.
- In addition, CEO Andrew Smith will be appointed as Managing Director effective 1 March 2023, following the completion of the twelve-month earn-out period and his strong performance as CEO and Executive Director.
- CCR reported 1H23 revenue of \$17.4 million, up 17% on 2H22 and 161% on the previous corresponding period.
- The Company signed 182 new customers in 1H23, worth a potential \$6.2 million in annual revenue, with \$0.7 million in new revenue from these clients in 1H23, with the remaining \$5.5 million in new revenue expected to ramp up during 2023.
- **Thorney’s View: We like CCR as it is disrupting the debt collections process with new technologies and continues to enjoy a strong pipeline of new customers.**

IMUGENE LIMITED

- Imugene Limited (IMU.ASX) announced that its Phase 1 MAST (metastatic advanced solid tumours) study evaluating the safety of novel cancer-killing virus (VAXINIA) has cleared cohort 2 of both the intravenous (IV) and intratumoral (IT) arms of the monotherapy trial, allowing it to open cohort 1 of the combination study (with Pembrolizumab) and cohort 3 for both arms of the monotherapy dose escalation.
- The company announced the first patient had been dosed in IV cohort 2 on 5 December 2022.
- IMU also announced that it has received a US patent for its B-cell activating immunotherapy PD1-Vaxx, currently in clinical development for non-small cell lung cancer.
- **Thorney’s view: VAXINIA represents a promising therapy for difficult to treat conditions.**

BRAINCHIP HOLDINGS LIMITED

- On March 6 2023, BrainChip Holdings Limited (BRN.ASX) launched the second-generation of its Akida Platform, which drives efficient and intelligent edge devices for the Artificial Intelligence of Things (AIoT) solutions and services market.
- The chip now includes Temporal Event Based Neural Nets (TENN) spatial-temporal convolutions that supercharge the processing of raw time-continuous streaming data, such as video analytics, target tracking, audio classification and analysis of health monitoring data.
- These capabilities are critically needed in industrial, automotive, digital health, smart home and smart city applications, BRN said.
- **Thorney’s view: We are enthusiastic about the global scalability and broad industry application of BRN’s technology.**

CHAIRMAN’S COMMENTS

Alex Waislitz said: “Technology stocks pared back some of the recent gains in February, but we continue to be confident on our key holdings over the medium to longer term due to their ability to generate strong revenues and many names looking to be good value at these levels.

More broadly, we retain our thesis that there has never been a better time to be investing in the exciting technology space and that those investors who take the long-term view will be rewarded over time.

We were able to successfully and profitably liberate TEK’s investment in Nitro Software Limited (NTO.ASX) at levels above the Board recommended bid price of \$2.15.

We have announced an on-market share buyback, a further initiative aimed at narrowing the share price to NTA discount.



INVESTMENT PHILOSOPHY

TEK seeks to identify early-stage companies with new and disruptive technology and business models, investing in a broad range of areas of technology, such as fin-tech, e-commerce, education, agriculture, medical, telecommunication, robotics and AI.

INVESTMENT OBJECTIVES

- Deploy investment capital into listed and unlisted technology companies
- Producing absolute returns for shareholders over the medium- to long-term

KEY CONTACTS

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ABOUT THORNEY TECHNOLOGIES

Thorney Technologies Ltd (TEK) is an ASX-listed investment company (LIC), with a broad mandate to invest in technology-related investments at all phases of the investment lifecycle. As well, TEK seeks to identify early-stage companies with new and disruptive technology and business models and invests in a broad range of areas of technology, such as fin-tech, e-commerce, education, agriculture, medical, telecommunication, robotics and AI. High quality deal flow is generated via our networks established in Australia, Israel and USA for investment opportunities in both listed and unlisted entities.

TEK is managed by the privately owned Thorney Investment Group pursuant to a long-term investment management agreement.

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

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

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