

INVESTMENT UPDATE AND NTA REPORT SEPTEMBER 2023



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

NTA Current Month	Before Tax ¹	After Tax ¹
30-Sep-23	71.0 cents	70.1 cents

NTA Previous Month	Before Tax ¹	After Tax ¹
31-Aug-23	71.4 cents	70.1 cents

¹ Figures are unaudited and approximate.

KEY ASX INFORMATION (AS AT 30 SEPTEMBER 2023)

ASX Code	TOP
Structure	Listed Investment Company
Inception date	January 2014
Market Capitalisation	\$88.9 million
Share Price	47.0 cents
Shares on Issue	189,221,329
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 September 2023	3 Months	6 Months	1 Year	Since Inception
TOP investment portfolio	1.94%	-3.95%	3.63%	8.44%
S&P Small Ordinaries Accum. Index	-1.94%	-2.47%	6.85%	7.22%
Performance versus Index	3.88%	-1.48%	-3.22%	1.22%

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

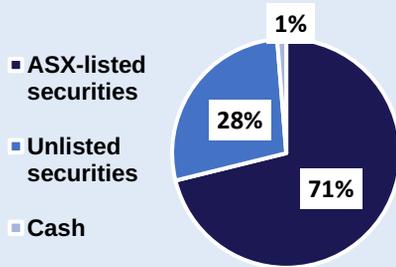
TOP SECURITIES

Rank	Company	% of Portfolio
1	20 Cashews Pty Ltd	27.0
2	MMA Offshore	21.0
3	Austin Engineering	9.1
4	Southern Cross Electrical Engineering	8.6
5	Solvar	6.3
6	Decmil Group	6.2
7	Service Stream	5.8
8	Consolidated Operations Group	4.2
9	Retail Food Group	2.8
10	Earlypay	2.0

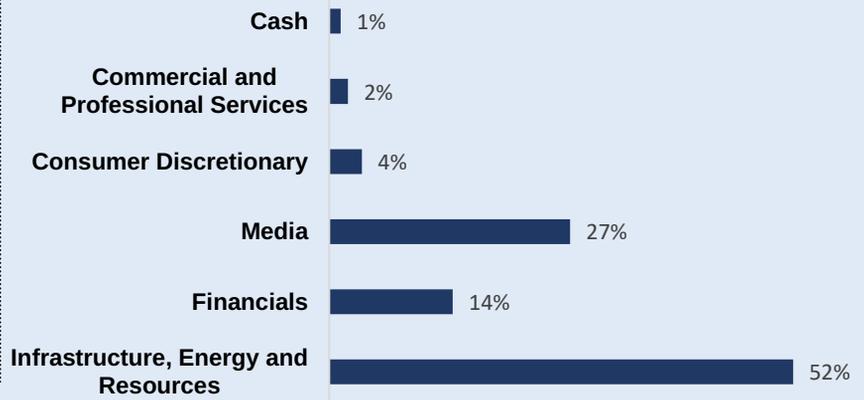
TOP FULLY FRANKED DIVIDEND HISTORY



ALLOCATION OF INVESTMENTS



PORTFOLIO SECTORS



CASH BALANCE AND AVAILABLE FACILITIES

- Cash held short-term with the major banks \$1.7m
- Prime broker and margin lending facilities available: undrawn as at 30 September 2023

OVERVIEW

- The TOP NTA as at 30 September 2023 was steady compared to August with share price increases for MMA Offshore Limited (ASX.MRM) and Southern Cross Electrical Engineering Limited (ASX.SXE), offset by declines in the share prices of Solvar Limited (ASX.SVR) and AMA Group Limited (ASX.AMA).
- The Company paid a 1.45 cent fully franked dividend on 29 September 2023.

INVESTEE COMPANY UPDATES

20 CASHEWS PTY LTD

- 20 Cashews Pty Ltd includes 100% of Australian Community Media, Australia's largest regional newspaper company, and a 30% interest in View Media Group (VMG), a real estate digital media and real estate agent services business.
- VMG launched its new consumer real estate portal, view.com.au, on 28 September 2023.
- The launch advances VMG's plans to create a digital real estate superstore that will operate in the \$300 billion adjacency categories rather than solely focus on the \$1 billion digital property advertising market.
- The new portal gives buyers an improved way to find properties and gives vendors and agents a better way to connect with those buyers via a "Freemium" listing model. It will allow vendors to list their properties for free, with upgraded paid options available for those agents who wish to further promote their listings and brands.
- The new portal will also allow potential buyers to look at all available properties, not just those for sale.
- VMG Executive Chairman Antony Catalano said: "We feel that restricting consumers to only being able to search for those properties that are currently for sale is extremely limiting. It's like saying that you should only advertise a job vacancy to those that are unemployed. Often the best candidate is already employed, and we feel the same logic can be applied in the property category and that often the best house for an individual is not currently for sale. View allows buyers to look at all properties; listed or unlisted and if a property isn't currently for sale, they will be able to express interest in that property to hopefully stimulate the market and encourage transactions that might not have otherwise occurred."
- The new portal also provides property seekers with an easy to navigate experience in a map-based search delivered via Nearmap.
- Australian Community Media's transformation into a more digitally-focused business continues. Digital subscription numbers, across both regional and agricultural titles, have continued to grow.
- **Thorney view: We are enthusiastic about View Media Group's ambitions to disrupt the real estate transaction market and to gain a meaningful market share.**

MMA OFFSHORE LIMITED

- MRM announced the award of two contracts to provide LNG field support duties in Australia's North West.
- The Company said that commencing mid-September 2023, the Platform Supply Vessel, *MMA Inscription* will be engaged under two back-to-back contracts for a total firm period of 220 days, with additional option periods totalling 87 days.
- The combined revenue from the firm contract periods is expected to be approximately \$12.4 million.
- An additional \$4.9 million in revenue is expected should the options be exercised, adding to MRM's backlog of contracted revenue for FY2024.
- **Thorney view: We are confident in MRM's continued earnings potential due to increased fleet utilisation, rising vessel rates and growing service revenue, associated with the recovery in the oil and gas markets and the surge in offshore wind construction. We are optimistic that these factors are likely to lead to a further increase in the NTA per share.**

AMA GROUP LIMITED

- On 1 September, AMA announced a number of Board and Management changes consistent with its succession planning as follows:
 - Independent Non-Executive Director, Caroline Waldron was appointed Chair following the retirement of Chair and Non-Executive Director, Anthony Day.
 - Paul Ruiz retired as Non-Executive Director and as Chair of the Audit and Risk Committee.
 - Carl Bizon will retire as Executive Director and Chief Executive Officer at the Group's 2023 Annual General Meeting on 23 November 2023.
- AMA said the Board will review its composition and skills before commencing Non-Executive Director recruitment to ensure a fit-for-purpose Board.
- It will also undertake a formal search process for the CEO role, with both internal and external candidates considered and will update the market in due course.
- AMA also announced that it raised ~\$55.0 million via a Placement and Entitlement Offer from both existing and new eligible shareholders.
- Funds raised will be applied to the principal repayment of \$35.0 million of existing senior bank debt and provide liquidity and working capital to be deployed in execution of the Group's strategy.
- The Company has indicated that following the resolution of the revised pricing arrangement with major customer, Suncorp, combined with ongoing operational initiatives, business cadence is improving.
- **Thorney view: The AMA investment has been a disappointing one, however, with the capital raising complete combined with some key personnel changes, we remain cautiously optimistic on the outlook and will continue to closely monitor its progress.**

CHAIRMAN'S COMMENTS

Alex Waislitz said: *"We expect equity markets to continue to be unpredictable over the months ahead given ongoing uncertainty about the macroeconomic outlook and the spectre of further rate rises given persistent inflation. We believe TOP is well-placed to navigate this backdrop, with our infrastructure, mining and resources services names continuing to perform well, with strong order books and buoyant earnings outlooks. Our on-market buyback program for TOP shares, which commenced 9 March 2023 will continue for a period of 12 months to 8 March 2024, which is one of the initiatives designed to address the share price discount to NTA."*



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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