

Touch Ventures Limited

ACN 612 559 958

Appendix 4D

Interim Financial Report for the period ended 30 June 2024

1. Company information

Name of entity:	Touch Ventures Limited
ABN:	96 612 559 958
Reporting period:	For the half year ended 30 June 2024
Previous corresponding period:	For the half year ended 30 June 2023

2. Results for announcement to the market

In accordance with the ASX Listing Rule 4.2A, the Board and management of Touch Ventures Limited (the Company) have enclosed an Appendix 4D for the half year ended 30 June 2024.

	30 June 2024	30 June 2023	Up / Down	Movement
	\$000	\$000		%
(Losses)/Gains on financial assets	(25,431)	4,186	Down	(708%)
Loss before tax	(24,549)	(1,104)	Down	(2,124%)
Net loss for the period	(24,549)	(1,104)	Down	(2,124%)

Dividends

The Company does not propose to pay a dividend and no other dividend distribution plans are in operation.

3. Net tangible assets

	30 June 2024	31 December 2023
Net tangible asset backing per share	\$0.120	\$0.154

4. Control gained or lost over entities during the period

None.

5. Details of associates and joint venture entities

The Company does not have any investments in associates and joint ventures.

6. Attachments

This report is based on the attached Condensed Interim Financial Report for the half year ended 30 June 2024 which has been reviewed by the Company's independent auditors, Hall Chadwick.

Condensed Interim Financial Report 30 June 2024

Touch Ventures Limited
(ASX:TVL)

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Directors' Report

The Directors of Touch Ventures Limited (referred to hereafter as 'the Company') submit their report together with the Condensed Interim Financial Report for the half year ended 30 June 2024 and the independent auditor's review report.

Directors

The following persons were Directors of the Company during the whole of the period and up to the date of this report, unless otherwise stated:

Michael Jefferies	Non-Executive Director and Chairman
Glenn Poswell	Non-Executive Director (Appointed 22 January 2024)
Jim Davis	Non-Executive Director
Sophie Karzis	Non-Executive Director
John McBain	Non-Executive Director (Resigned 7 May 2024)
Alyn Tai	Company Secretary

Principal activity

The Company is an Australian investment holding company with flexibility as to how it deploys its capital in seeking to achieve its investment objectives.

The Company continues to explore opportunities to deploy capital in high growth, scalable companies while continuing to manage an existing portfolio of technology assets and maintaining a significant balance of cash and bank deposits.

As previously disclosed, unless the Company is able to find attractive investment opportunities in the medium term, the Board will consider opportunities to return capital to shareholders.

Operating and financial review

Over the course of the half year the Company has taken steps to reduce its operating costs and also invested excess cash in term deposits to generate a return on capital until deployed.

The Company has broadened its investment scope to include possible opportunities where it can take a controlling position in an investment opportunity. Given the significant cash holding of the Company, it is well-placed to access high quality investment opportunities.

In January 2024, Gannet Capital acquired 17.8% of the shares in the Company from Block, Inc, and the Company welcomed their representative Glenn Poswell to the Board.

Valuations

The following investments were revalued in line with the Company's valuation policy:

Sendle

In early July 2024, Sendle raised further capital at a pre-money equity valuation of approximately US\$60 million. The financing round is in the form of preferred equity, which ranks ahead of existing shares including the Company's shareholding. The Company elected to not participate in this round and, having regard to the amount and terms of the securities issued, the Company has written down its investment in Sendle to US\$1.2 million (A\$1.8 million), recognising a fair value loss of \$14.6 million.

Postpay

In June 2024, having carefully considered the liquidity position and prospects of the Postpay business, the Company revalued its investment in Postpay to nil, resulting in the recognition of a fair value loss of \$10.9 million.

ESM and strategic investments

During the period, the Company recognised a total fair value gain of \$0.1 million (excluding foreign exchange impacts) in relation to the companies within the ESM and Strategic Investments.

Company financial results and financial position

The net loss after tax of the Company for the half year ended 30 June 2024 was \$24.5 million (half year ended 30 June 2023: net loss of \$1.1 million). The net loss includes the impact of the fair value loss of \$25.4 million, and an unrealised foreign exchange gain of \$1.1 million on investments in financial assets as at the reporting date.

During the period, and as previously announced, the Company's Chief Executive Officer and Chief Financial Officer ceased their employment with the Company. Given the size and scale of the Company's operations, and in line with reducing the operating costs of the business, these roles have not been replaced and their functions are carried out internally within the existing team.

As at 30 June 2024, the Company had net assets of \$84.4 million (31 December 2023: \$108.9 million). The Gross Portfolio Value (excluding cash) as at 30 June 2024 was \$24.8 million, a decrease of \$24.4 million from the 31 December 2023 value of \$49.2 million. The Company has no debt and has total cash (including term deposits) at 30 June 2024 of \$57.7 million (31 December 2023: \$58.2 million).

Matters subsequent to the end of the financial period

The Directors are not aware of any matter or circumstance which has arisen since 30 June 2024 that has significantly affected or may significantly affect the operations of the Company in subsequent financial years, the results of those operations, or the state of affairs of the Company in future financial years.

Dividends

No dividends were paid or declared by the Company during the half year ended 30 June 2024 (half year ended 30 June 2023: nil).

Auditor's independence declaration

The auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 6.

Rounding off of amounts

The Company is of the kind referred to in *ASIC Corporations (Rounding in Financials/Directors' Reports) Instrument 2016/191*, and in accordance with that Corporations Instrument, amounts in the Directors' Report and the financial report are rounded off to the nearest thousand dollars, unless otherwise indicated.

Signed in accordance with a resolution of Directors made pursuant to s.306(3) of the *Corporations Act 2001*.

On behalf of the Directors



Michael Jefferies

Non-Executive Director and Chairman

Sydney

22 August 2024

TOUCH VENTURES LIMITED
ABN 96 612 559 958

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS
OF TOUCH VENTURES LIMITED**

SYDNEY

Level 40
2 Park Street
Sydney NSW 2000
Australia
Ph: (612) 9263 2600
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In accordance with S307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Touch Ventures Limited. As the lead audit partner for the review of the financial report of Touch Ventures Limited for the half-year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.



HALL CHADWICK (NSW)
Level 40, 2 Park Street
Sydney NSW 2000



STEWART THOMPSON
Partner

Dated: 22 August 2024

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Condensed Statement of Profit or Loss and Other Comprehensive Income

For the half year ended **30 June 2024**

	Notes	Half year ended 30 June 2024 \$000	Half year ended 30 June 2023 \$000
Net (loss)/gain on financial assets at fair value through profit or loss	7	(25,431)	4,186
Total (loss)/ income		(25,431)	4,186
Impairment provision of loan receivable		-	(5,392)
Share based payment expense	9	(23)	(102)
Due diligence and acquisition costs		(2)	(57)
Directors fees		(171)	(159)
Employee benefits expense	3(a)	(896)	(739)
Professional fees	3(b)	(290)	(339)
Insurance expense		(125)	(238)
Legal and regulatory expense		(34)	(36)
Other expenses	3(c)	(64)	(159)
Operating loss		(27,036)	(3,035)
Interest expense		(3)	-
Interest income		1,420	1,213
Unrealised foreign exchange gain on financial assets at fair value through profit or loss		1,070	718
Loss before tax		(24,549)	(1,104)
Income tax expense	4	-	-
Loss for the period		(24,549)	(1,104)
Other comprehensive income		-	-
Total comprehensive loss for the period, net of tax		(24,549)	(1,104)
		Cents	Cents
Basic loss per share		(3.48)	(0.16)
Diluted loss per share		(3.48)	(0.16)

The above Condensed Statement of Profit or Loss and Other Comprehensive income should be read in conjunction with the accompanying notes.

Condensed Statement of Financial Position

As at **30 June 2024**

	Notes	As at 30 June 2024 \$'000	As at 31 December 2023 \$'000
ASSETS			
Current assets			
Cash and cash equivalents	5	7,398	5,374
Prepayments		120	264
Other current assets	6	51,750	54,146
Total current assets		59,268	59,784
Non-current assets			
Intangible assets		43	43
Property, plant and equipment		45	58
Right-of-use asset		47	82
Financial assets at fair value through profit or loss	7	24,842	49,203
Amount held in escrow from sale of financial asset	12	406	406
Total non-current assets		25,383	49,792
TOTAL ASSETS		84,651	109,576
LIABILITIES			
Current liabilities			
Trade and other payables	10	158	472
Lease liability		49	78
Employee benefit liabilities		32	81
Total current liabilities		239	631
Non-current liabilities			
Lease liability		-	7
Total Non-current liabilities		-	7
TOTAL LIABILITIES		239	638
NET ASSETS		84,412	108,938
EQUITY			
Issued capital	11(a)	196,525	196,525
Accumulated losses		(114,393)	(89,844)
Reserves	11(b)	2,280	2,257
TOTAL EQUITY		84,412	108,938

The above Condensed Statement of Financial Position should be read in conjunction with the accompanying notes.

Condensed Statement of Changes in Equity

For the half year ended **30 June 2024**

	<i>Issued capital (Note 11a)</i>	<i>Accumulated losses</i>	<i>Employee equity benefits reserve (Note 11b)</i>	<i>Total</i>
	\$000	\$000	\$000	\$000
Balance at 1 January 2024	196,525	(89,844)	2,257	108,938
Loss for the period	-	(24,549)	-	(24,549)
Other comprehensive income	-	-	-	-
Total comprehensive loss for the period	-	(24,549)	-	(24,549)
Transactions with owners in their capacity as owners				
Share buyback	-	-	-	-
Share-based payments ¹	-	-	23	23
Balance at 30 June 2024	196,525	(114,393)	2,280	84,412
Balance at 1 January 2023	196,985	(74,421)	1,954	124,518
Loss for the period	-	(1,104)	-	(1,104)
Other comprehensive income	-	-	-	-
Total comprehensive loss for the period	-	(1,104)	-	(1,104)
Transactions with owners in their capacity as owners				
Share buyback	(414)	-	-	(414)
Share-based payments ¹	-	-	102	102
Balance at 30 June 2023	196,571	(75,525)	2,056	123,102

The above Condensed Statement of Changes in Equity should be read in conjunction with the accompanying notes

1. This amount comprises share options and performance rights expensed during the period.

Condensed Statement of Cash Flows

For the half year ended **30 June 2024**

		Half year ended 30 June 2024	Half year ended 30 June 2023
	Notes	\$000	\$000
Cash flows from operating activities			
Payments to suppliers and employees (including GST)		(1,749)	(1,446)
Interest paid		(3)	(5)
Interest received		1,316	412
Net cash flows used in operating activities	5	(436)	(1,039)
Cash flows from investing activities			
Sale of financial assets at fair value through profit or loss		-	13,609
Receipt/(investment) of term deposits		2,500	(40,000)
Loan to portfolio company		-	(3,000)
Purchase of property, plant and equipment		-	(63)
Purchase of patents and trademarks		-	(8)
Payment of security deposit		-	(17)
Net cash flows from/(used in) investing activities		2,500	(29,479)
Cash flows from financing activities			
Payment for share buy-back		-	(400)
Lease principal repayments		(40)	(30)
Net cash flows used in financing activities		(40)	(430)
Net increase/(decrease) in cash and cash equivalents		2,024	(30,948)
Cash and cash equivalents at beginning of the financial period		5,374	38,721
Cash and cash equivalents at the end of the financial period	5	7,398	7,773

The above Condensed Statement of Cash Flows should be read in conjunction with the accompanying notes.

Notes to the Condensed Interim Financial Statements

Note 1: Reporting entity

The Company is a for-profit entity and is domiciled in Australia. The Company is publicly traded on the Australian Securities Exchange under the ticker TVL. The Company's registered office is at Level 36, 1 Macquarie Place, Sydney NSW 2000.

The Company is an Australian investment holding company with flexibility as to how it deploys its capital in seeking to achieve its investment objectives. The Company has formulated an investment strategy focused on seeking to deploy capital towards high growth, scalable investment opportunities; in particular, investment opportunities within the retail innovation, e-commerce enablement, finance/fintech, consumer, B2B software and data segments in Australia and internationally.

Note 2: Summary of material accounting policy information

(a) Basis of preparation

The Condensed Interim Financial Statements (referred to hereafter as the 'Interim Financial Statements') of Touch Ventures Limited (referred to hereafter as 'the Company') for the half year ended 30 June 2024 were authorised for issue in accordance with a resolution of the Directors on 22 August 2024.

The Interim Financial Statements are general purpose financial statements prepared in accordance with *Corporations Act 2001* and AASB 134 *Interim Financial Reporting*. The accounting policies have been applied consistently by the Company for the purposes of preparation of these Interim Financial Statements. The Interim Financial Statements also comply with International Financial Reporting Standard (IAS) 34 *Interim Financial Reporting* as issued by the International Accounting Standards Board.

The Interim Financial Statements reflect the activities for the half year ended 30 June 2024. The comparative information represents the financial position of the Company as at 31 December 2023 and the Company's financial performance for the half year ended 30 June 2023.

The Interim Financial Statements of the Company for the half year ended 30 June 2024 do not include all notes of the type normally included within the Annual Financial Report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and investing and financing activities of the Company as a full financial report. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last Annual Financial Report as at and for the year ended 31 December 2023.

The Interim Financial Statements should be read in conjunction with the Annual Financial Report of the Company for the year ended 31 December 2023 which is available from the Company's website at <https://investors.touchventures.com>.

The Interim Financial Statements have been prepared on the historical cost basis, except for the revaluation of certain investments that are measured at revalued amounts or fair values at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

All amounts are presented in Australian dollars, unless otherwise noted. The Company is of the kind referred to in *ASIC Corporations (Rounding in Financials/Directors' Reports) Instrument 2016/191*, and in accordance with that instrument, amounts in the Interim Financial Statements are rounded off to the nearest thousand dollars, unless otherwise indicated.

(b) New accounting standards and interpretations

The Company has considered all new accounting standards, interpretations and amendments.

The Company has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective.

Accounting Standards and Interpretations issued but not yet effective

Australian Accounting Standards and Interpretations that are issued, but are not yet effective, up to the date of issuance of the Company's financial statements are not expected to have a significant impact on the preparation of the Company's financial statements. The Company intends to adopt these standards, as applicable, when they become effective.

New, revised or amended Accounting Standards and Interpretations

A number of new standards are effective from 1 January 2024. These standards have not had a material impact on the Company's Interim Financial Statements.

(c) Significant accounting judgements, estimates and assumptions

In preparing the Interim Financial Statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those described in the last Annual Financial Report.

(d) Fair value measurement

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

Fair-value related disclosures for financial instruments and non-financial assets that are measured at fair value or where fair values are disclosed, including valuation methods and significant estimates and assumptions, are summarised in Notes 7 and 8.

(e) Leases

The Company recognises a right-of-use asset and a lease liability at the lease commencement date.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Subsequently, the lease liability is measured at amortised cost using the effective interest method.

(f) Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Chief Operating Decision Maker, who is responsible for allocating resources and assessing performance of the operating segments, is the Chairman.

There is only one reportable segment based on the internal reports that are reviewed by the Chairman, being Australia as this is where it operates and manages investing in high growth securities.

The assets, revenues and results of this segment are those of the Company as a whole and are set out in these Interim Financial Statements.

Note 3: Expenses

(a) Employee benefits expense

	30 June 2024	30 June 2023
	\$000	\$000
Salaries and wages	500	604
Termination payments	370	-
Superannuation	37	58
Annual leave (benefit)/expenses	(48)	16
Payroll tax and oncosts	37	61
Total	896	739

(b) Professional fees

	30 June 2024	30 June 2023
	\$000	\$000
Accounting fees	50	53
Audit fees and related expenses	61	105
Company secretarial and registry fees	74	88
Consulting fees	90	78
Tax fees	15	15
Total	290	339

(c) Other expenses

	30 June 2024	30 June 2023
	\$000	\$000
Expenses relating to short-term leases	-	15
Depreciation expense	53	42
Other expenses	11	102
Total	64	159

Note 4: Income tax expense

Income tax expense is recognised based on management's estimate of the weighted average effective annual income tax rate expected for the full financial year. The effective tax rate is estimated to be 0% for the half year ended 30 June 2024 (half year ended 30 June 2023: 0%). The Company has not recognised a deferred tax asset for previously incurred tax losses since deferred tax asset relating to temporary differences and unused tax losses are only recognised to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Note 5: Cash and cash equivalents

	30 June 2024	31 Dec 2023
	\$000	\$000
Cash at bank and on hand	7,398	2,874
Short term deposit	-	2,500
	7,398	5,374

Reconciliation from net loss after tax to net cash flows from operations

	30 June 2024	30 June 2023
	\$000	\$000
Net loss	(24,549)	(1,104)
Adjustments for:		
Depreciation expense	53	42
Share-based payments expense	23	102
Net loss/(gain) on financial assets at fair value through profit or loss	25,431	(4,186)
Impairment provision of loan receivable	-	5,392
Unrealised net foreign exchange gain	(1,071)	(718)
Interest receivable	(104)	(908)
Changes in assets and liabilities:		
Decrease in prepayments	144	265
Decrease in other current assets	-	106

	30 June 2024 \$000	30 June 2023 \$000
Decrease in trade and other payables	(314)	(43)
Increase in employee benefit liabilities	(49)	13
Net cash used in operating activities	(436)	(1,039)

Note 6: Other current assets

	30 June 2024 \$000	31 Dec 2023 \$000
Term deposits	50,248	52,795
Security deposit	28	28
Interest receivable	1,324	1,173
Amounts owed by related parties (note 13(b))	150	150
Total	51,750	54,146

Note 7: Financial assets at fair value through profit or loss (FVTPL)

(a) Financial assets

	30 June 2024 \$000	30 June 2024 % ownership interest ²	31 Dec 2023 \$000	31 Dec 2023 % ownership interest ²
Investments in financial assets at fair value through profit or loss				
<i>Core Investments</i>				
Investment in Sendle, PBC	1,768	9.6	15,877	11.7
Investment in Postpay Technology Limited	-	13.3	10,559	13.3
Investment in Preezie Pty Ltd	4,500	17.6	4,500	17.6
Investment in Refundid Pty Ltd	5,946	12.3	5,946	12.3
Investment in Ordermentum	3,000	4.0	3,000	4.0
<i>Early-Stage Investments</i>	4,530	various	4,417	Various
<i>Strategic Investments</i>	5,098	various	4,863	Various
Total financial assets at fair value through profit or loss	24,842	-	49,203	-

2. The ownership interest represents the Company's equity interests in the investee and does not take into consideration any shareholding based on the conversion of any convertible notes or SAFE agreements.

(b) Fair Values

The below table summarises the valuation techniques applied for each investment at 30 June 2024:

30 June 2024 Valuation Technique	
Investments in financial assets at fair value through profit or loss	
Investment in Sendle, PBC	Price of recent investments
Investment in PlanPay Pty Ltd	NAV
Investment in Postpay Technology Limited	NAV
Investment in Refundid Pty Ltd	Price of recent investments
Investment in Preezie Pty Ltd	Revenue and earnings multiples
Investment in Ordermentum Pty Ltd	Price of recent investments
Investment in GotSkill Platforms Limited	NAV
Investment in Happay (Cayman) Ltd	NAV
Investment in THEHOLD Inc	NAV
Investment in Her Black Book Pty Ltd	Price of recent investments
Investment in Breef Inc.	Price of recent investments
Investment in Sugar Capital Fund I, L.P.	Fund NAV
Investment in Skalata Ventures Pty Ltd	Price of recent investments
Investment in SF-II ESVC LP	Fund NAV

Sendle

In early July 2024, Sendle raised further capital at a pre-money equity valuation of approximately US\$60 million. The financing round is in the form of preferred equity, which ranks ahead of existing shares including the Company's shareholding. The Company elected to not participate in this round and, having regard to the amount and terms of the securities issued, the Company has written down its investment in Sendle to US\$1.2 million (A\$1.8 million), recognising a fair value loss of \$14.6 million.

Postpay

In June 2024, the Company revalued its investment in Postpay to nil, resulting in the recognition of a fair value loss of \$10.9 million.

Preezie

Inputs used in the fair value measurement as at the end of the reporting period are as follows:

Valuation Technique	Significant unobservable inputs	Sensitivity of the input to the fair value calculation
ARR multiple	5.7x-10.2x	An increase in the unobservable inputs used would result in an increase in fair value, and vice versa.
Revenue multiple	5.0x-6.1x	An increase in the unobservable inputs used would result in an increase in fair value, and vice versa.

Reconciliation of Level 3 recurring fair values

	Financial assets at FVTPL \$000
Balance at 1 January 2024	49,203
Net loss recognised in profit or loss ³	(24,361)
Balance at 30 June 2024	24,842

	Financial assets at FVTPL \$000
Balance at 1 January 2023	68,506
Purchases	521
Disposals	(14,537)
Net gain recognised in profit or loss ⁴	4,904
Balance at 30 June 2023	59,394

Level 3 financial assets consist of equity securities in unlisted entities.

Note 8: Financial instruments – fair values and risk management

Exposure to key financial risks, including interest rate, credit, liquidity and currency risk, arises in the normal course of the Company's business. During the half year ended 30 June 2024, the Company continued to apply the risk management objectives and policies that were disclosed in the Annual Financial Report of the Company for the year ended 31 December 2023.

The total for each category of financial instrument, measured in accordance with AASB 9 *Financial Instruments* on a recurring basis as detailed in the accounting policies to these financial statements including their fair value hierarchies are as follows:

			Measurement Basis	Carrying amount		Fair value ⁵	
			30 June 2024	31 Dec 2023	Level	30 June 2024	31 Dec 2023
Notes			\$000	\$000		\$000	\$000
Financial assets							
Cash and cash equivalents	5	Amortised cost	7,398	5,374		7,398	5,374
Term deposit		Amortised cost	50,248	52,795		50,248	52,795
Financial assets at fair value through profit or loss (FVTPL)	7	Fair value	24,842	49,203	3	24,842	49,203
Security Deposit		Amortised cost	28	28		28	28

3. The net loss for the previous reporting period recognised in profit or loss includes an unrealised fair value loss of \$25,431,000 and an unrealised gain of \$1,070,000 due to movements in foreign exchange rates.

4. The net gain for the current reporting period recognised in profit or loss includes a realised fair value gain of \$4,071,000, an unrealised fair value gain of \$115,000 and an unrealised gain of \$718,000 due to movements in foreign exchange rates.

5. The carrying value closely approximates the fair value taking into account currency and interest rate risk.

			Measurement Basis	Carrying amount			Fair value ⁵	
			30 June 2024	31 Dec 2023		Level	30 June 2024	31 Dec 2023
Notes			\$000	\$000			\$000	\$000
Financial liabilities								
Trade and other payables	10	Amortised cost	158	472			158	472

There were no transfers of financial instruments between the fair value hierarchies in either the current or the previous reporting period.

Note 9: Share-based payments

(a) Share-based payment plans

The Company has a Long-Term Incentive Plan (LTIP) that includes options and performance rights, with a view to aligning the interests of employees with the objectives of the Company and to provide incentives to Directors, senior executives and staff. The Company's LTIP applies to both past and present employees and Directors and is subject to vesting conditions for option holders.

(b) Share-based payment expenses

	30 June 2024	30 June 2023
	\$000	\$000
Expenses arising from equity-settled share-based payment transactions	23	102

No options or performance rights were granted, exercised, expired or cancelled during the half year ended 30 June 2024.

Note 10: Trade and other payables

	30 June 2024	31 Dec 2023
	\$000	\$000
Accruals	158	472

Note 11: Contributed equity and reserves

(a) Ordinary shares of no par value

	30 June 2024	30 June 2023
	\$000	\$000
Issued and fully paid	196,525	196,571

Movement in ordinary shares on issue

	Number	\$000
At 1 January 2023	710,118,455	196,985
Share buyback	(4,594,867)	(414)
At 30 June 2023	705,523,588	196,571

	Number	\$000
At 1 January 2024	704,877,705	196,525
Share buy-back	-	-
At 30 June 2024	704,877,705	196,525

(b) Employee equity benefits reserve

	\$000
At 1 January 2023	1,954
Share based payment expense	102
At 30 June 2023	2,056

	\$000
At 1 January 2024	2,257
Share based payment expense	23
At 30 June 2024	2,280

The employee equity benefits reserve is used to record the fair value of equity options and performance rights granted to employees, senior executives and Directors as part of their remuneration.

(c) Capital management

When managing capital, management's objective is to ensure the Company continues as a going concern, as well as to provide optimal returns to shareholders and benefits for other stakeholders. The Company constantly reviews the capital structure and the level of return on assets.

Note 12: Commitments and contingencies

'Amount held in escrow from sale of financial asset' relates to amounts held in escrow as a result of the sale of Basiq. The total amount held in escrow that the Company is contractually entitled to from the sale of Basiq is \$0.8 million which remains subject to possible settlement claims. An amount of \$0.4 million has been accounted for in respect to this entitlement, reflecting management's best estimate of the fair value. The Company has no other contingencies as at 30 June 2024 (31 December 2023: nil).

The Company has no capital commitments as at 30 June 2024.

Note 13: Related parties

(a) Directors and Key Management Personnel

There were no transactions which were entered into with Directors or key management personnel during the current or previous reporting period.

Subsequent to the period, on 7 July 2024, the Company entered into a Consultancy Agreement with Gannet Capital Pty Ltd, an entity associated with Director, Glenn Poswell. The Consultancy Agreement is on arm's length terms and provides for the payment to Gannet of a monthly fee of \$20,000 (excluding GST). Under the Consultancy Agreement, Gannet Capital provides services to the Company including reviewing existing portfolio investments and assisting with developing a strategy in relation to them and identifying new opportunities for the Board to consider. The Agreement may be terminated by either party without cause with 2 weeks' notice. Invoices from Gannet Capital are settled on terms in line with other creditors.

(b) Other related parties

The following table provides the total amount of transactions which have been entered into with related parties for the current and previous periods.

<i>Related party</i>		<i>Reimbursement from related parties</i>	<i>Purchases from related parties</i>	<i>Amounts owed by related parties</i>	<i>Amounts owed to related parties</i>
		\$	\$	\$	\$
Director related entities					
Gannet Capital	2024	-	22,000	-	-
	2023	-	-	-	-
Companies					
PlanPay ⁶	2024	-	-	5,638,521	-
	2023	-	-	5,392,110	-

Note 14: Events after the reporting period

The financial statements have been prepared based upon conditions existing at 30 June 2024 and considering those events occurring subsequent to that date, that provide evidence of conditions that existed at the end of the reporting period.

The Directors are not aware of any matter or circumstance which has arisen since 30 June 2024 that has significantly affected or may significantly affect the operations of the Company in subsequent financial years, the results of those operations, or the state of affairs of the Company in future financial years.

6. In October 2022 the Company committed to provide a \$5.1 million loan to PlanPay. Under this arrangement it provided \$2.1 million in October 2022 and \$3.0 million in January 2023. In September 2023 the Company provided a \$150,000 working capital advance to PlanPay which is expected to be repaid to the Company during the 2024 financial year.

TOUCH VENTURES LIMITED
ABN 96 612 559 958

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF TOUCH VENTURES LIMITED

SYDNEY

Level 40
2 Park Street
Sydney NSW 2000
Australia

Ph: (612) 9263 2600
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Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Touch Ventures Limited, which comprises the condensed statement of financial position as at 30 June 2024, the condensed statement of profit or loss and other comprehensive income, the condensed statement of changes in equity and the condensed statement of cash flows for the half-year ended on that date, notes to the condensed financial statements including a summary of material accounting policy information, 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 makes us believe that the accompanying half-year financial report of Touch Ventures Limited does not comply with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of Touch Ventures Limited's financial position as at 30 June 2024 and of its 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*. Our responsibilities are further described in the *Auditor's Responsibility for the Review of the 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.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's review report.

Responsibility of the Directors for the Financial Report

The directors of Touch Ventures Limited 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 gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility for the Review of the 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 30 June 2024 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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TOUCH VENTURES LIMITED
ABN 96 612 559 958

INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF TOUCH VENTURES LIMITED

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.


HALL CHADWICK (NSW)

Level 40, 2 Park Street
Sydney NSW 2000


STEWART THOMPSON
Partner

Dated: 22 August 2024

Directors' Declaration

In the opinion of the Directors of Touch Ventures Limited ('the Company'):

- a) the Condensed Interim Financial Statements and notes set out on pages 7 to 20 are in accordance with the *Corporations Act 2001*, including:
 - i. giving a true and fair view of the Company's financial position as at 30 June 2024 and of its performance for the half year ended on that date; and
 - ii. complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting*, International Reporting Standard IAS 34 *Interim Financial Reporting*, and the Corporations Regulations 2001; and
- 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.

Signed in accordance with a resolution of the Directors:



Michael Jefferies

Non-Executive Director and Chairman

Sydney

22 August 2024

Corporate Directory

Touch Ventures Limited

ACN 612 559 958

Company website

www.touchventures.com

Directors

Michael Jefferies, Non-Executive Director
and Chairman

Jim Davis, Non-Executive Director

Sophie Karzis, Non-Executive Director

Glenn Poswell, Non-Executive Director

Company Secretary

Alyn Tai

Registered office

Gateway Tower

Level 36, 1 Macquarie Place

Sydney NSW 2000

Australia

Auditors

Hall Chadwick

Level 40

2 Park Street

Sydney NSW 2000

Australia

Share Registry

Link Market Services Limited

Level 12, 680 George Street

Sydney NSW 2000

Australia