

# Thorney Opportunities Ltd

ABN 41 080 167 264

## Appendix 4D and 2022 Half-Year Financial Statements

## **APPENDIX 4D** (Listing Rule 4.2A3)

### **RESULTS FOR ANNOUNCEMENT TO THE MARKET**

(All comparisons to half-year ended 31 December 2020)

	<b>\$'000</b>	<b>Movement \$'000</b>	<b>Up/ Down</b>	<b>Movement %</b>
Income from ordinary activities	11,521	25,568	Down	(69%)
Profit before tax for the year	8,225	21,859	Down	(73%)
Profit after tax for the year	6,877	14,621	Down	(68%)

<b>Dividend information</b>	<b>Amount per share (cents)</b>	<b>Franked amount per share (cents)</b>	<b>Tax rate for franking credit</b>
<b>2022 Interim dividend per share</b>	<b>1.00</b>	<b>1.00</b>	<b>25.0%</b>
2021 Final dividend per share	1.35	1.35	25.0%
2021 Interim dividend per share	0.80	0.80	30.0%

#### **2022 Interim dividend dates**

Ex-dividend date	15-Mar-22
Record date	16-Mar-22
Interim dividend payment date	31-Mar-22

The Company's Dividend Reinvestment Plan (DRP) will not apply to the 2022 Interim dividend.

	<b>31-Dec-21</b>	<b>30-Jun-21</b>	<b>31-Dec-20</b>
<b>Net tangible asset backing per ordinary share</b>	72.6 cents	70.4 cents	70.6 cents

This report should be read in conjunction with the *Thorney Opportunities Ltd 2021 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 2021.

This report is based on the financial statements for the half-year ended 31 December 2021 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.

<b>ASX Code:</b>	TOP
<b>Security:</b>	Thorney Opportunities Ltd fully paid ordinary shares
<b>Directors:</b>	Alex Waislitz, Chairman Ashok Jacob Henry Lanzer AM Dr Gary Weiss AM
<b>Secretary:</b>	Craig Smith
<b>Country of incorporation</b>	Australia
<b>Registered office:</b>	Level 39, 55 Collins Street Melbourne Vic 3000
<b>Contact details:</b>	Level 39, 55 Collins Street Melbourne Vic 3000 T: + 613 9921 7116 F: + 613 9921 7100 E: <a href="mailto:craig.smith@thorney.com.au">craig.smith@thorney.com.au</a> W: <a href="http://www.thorneyopportunities.com.au">www.thorneyopportunities.com.au</a>
<b>Investment Manager:</b>	Thorney Management Services Pty Ltd Level 39, 55 Collins Street Melbourne Vic 3000 AFSL: 444369
<b>Auditor:</b>	Ernst & Young, Melbourne 8 Exhibition Street Melbourne Vic 3000
<b>Lawyers:</b>	Arnold Bloch Leibler Level 21, 333 Collins Street Melbourne Vic 3000
<b>Share Registry:</b>	Boardroom Pty Limited Level 12, 225 George Street Sydney NSW 2000 T: + 612 9290 9600 F: + 612 9279 0664 W: <a href="http://www.boardroomlimited.com.au">www.boardroomlimited.com.au</a> For all shareholder related enquiries please contact the share registry.

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## Chairman's letter

Dear fellow Shareholders

I am pleased to report that TOP's Net Tangible Asset backing (NTA) after tax and fees as at 31 December 2021 closed at 72.6 cents per share, an increase of 3.1% compared to the NTA of 70.4 cents per share as at 30 June 2021. In addition, TOP also paid a 1.35 cents per share fully franked dividend during the period.

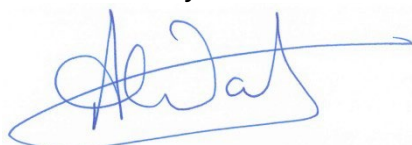
The increase in TOP's NTA in the six months ended 31 December 2021 was principally driven by an increase in the carrying value of TOP's investment in Australian Community Media (ACM) which includes its 22.99% investment in PRT Company Limited (formerly Prime Media Group Ltd). There were also positive contributions made by listed portfolio positions including Money3 Corporation Limited.

Since 31 December 2021, the portfolio has seen a number of strong contributions from investments in the infrastructure and resource services sector, including Austin Engineering Limited and MMA Offshore Limited.

On the back of TOP's performance, directors have declared an interim dividend for the December half year of 1.00 cent per share fully franked, an increase of 25% compared to the dividend declared in the previous corresponding period.

I maintain my optimism in the inherent value in TOP's portfolio and confident that the value will be realised over time. Nevertheless, TOP's share price remains at a significant discount to NTA and, as previously outlined, the Board has implemented a number of strategies to narrow the share price discount, including extending the on-market share buyback program to 18 February 2023, the launch of our revamped website, increased investor relations resourcing, undertaking more transparent reporting and continuing to hold podcasts and other investor briefings.

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  
21 February 2022

# 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 2021 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 \$6,876,847 compared to the previous corresponding half-year period gain of \$21,497,699.

TOP's half year result reflects an increase in the fair value of its investment in 20 Cashews Pty Ltd (which owns Australian Community Media Group (ACM) and a 22.99% interest in Prime Media Group (ASX:PRT)) and an overall decrease in the market value of the Company's listed portfolio.

TOP's five largest listed portfolio holdings (MNY, MRM, ANG, SXE, AMA), represent circa 45% of the TOP's portfolio and 20 Cashews Pty Ltd 22%.

The Net Tangible Asset Backing per share (NTA) after tax as at 31 December 2021 was 72.6 cents per share compared with 70.4 cents per share as at 30 June 2021. These figures are after dividend payments of 1.35 cents per share during 2022 financial year (2021: 1.27 cents).

A 2021 Final dividend of 1.35 cents per share fully franked was paid during the period and a 2022 interim fully franked dividend of 1.00 cent per share has been declared by the Board and will be paid on 31 March 2022.

During the half-year period, the Company lodged change of interest of substantial holder notices for AMA, AS1, DCG, QFE, MNY, SSM and SXE

As at 31 December 2021, the On-Market Share Buy-Back (announced on 3 February 2021) has resulted in a total of 1,334,143 shares being bought back at a cost of \$725,808, at an average of 54.4 cents per share. An extension of the buyback (to 18 February 2023) was announced on 3 February 2022.

## Directors' report (continued)

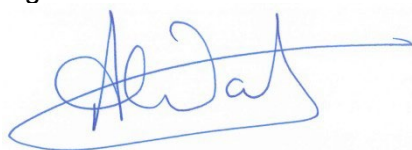
### 4. Subsequent events

On 3 February 2022, the Company announced an extension to its on-market share buy-back for the period 19 February 2022 to 18 February 2023, unless the maximum number of shares are bought back prior to this date or TOP decides to cease the buy-back.

### 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,  
21 February 2022

## 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 2021, 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

This declaration is in respect of Thorney Opportunities Ltd during the financial period.



Ernst & Young



Tony Morse  
Partner  
21 February 2022



# Statement of comprehensive income

For the half-year ended 31 December 2021

	Note	December 2021 \$	December 2020 \$
<b>Income</b>			
Net changes in fair value of investments	2	9,764,302	35,600,757
Interest income	2	1,895	7,058
Dividend income	2	1,754,773	1,473,291
Other income	2	-	7,500
<b>Total investment income</b>	2	<b>11,520,970</b>	<b>37,088,606</b>
<b>Expenses</b>			
Management fees	7	(1,212,340)	(1,180,984)
Performance fees	7	(1,773,275)	(5,543,432)
Directors' fees		(85,140)	(84,863)
Finance costs		(980)	(60)
Fund administration and operational costs		(70,338)	(61,029)
Legal and professional fees		(110,961)	(101,645)
Other administrative expenses		(43,418)	(32,720)
<b>Total expenses</b>		<b>(3,296,452)</b>	<b>(7,004,733)</b>
<b>Profit before income tax</b>		<b>8,224,518</b>	<b>30,083,873</b>
Income tax expense	3	(1,347,671)	(8,586,174)
<b>Total comprehensive gain for the half-year</b>		<b>6,876,847</b>	<b>21,497,699</b>
<b>Basic and diluted gain per share (cents)</b>	10	<b>3.47</b>	<b>10.77</b>

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 2021

	Note	December 2021 \$	June 2021 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and short-term deposits	6	3,926,347	2,710,406
Financial assets	5	118,000,314	125,310,737
Receivables		7,267	1,005,613
Prepayments		112,716	25,116
Current tax asset		212,145	-
<b>Total current assets</b>		<b>122,258,789</b>	<b>129,051,872</b>
<b>Non-current assets</b>			
Financial assets	5	35,443,991	22,314,588
Deferred tax assets		-	-
<b>Total non-current assets</b>		<b>35,443,991</b>	<b>22,314,588</b>
<b>TOTAL ASSETS</b>		<b>157,702,780</b>	<b>151,366,460</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Payables and accruals	7	3,200,322	7,580,494
Equity lending facility	8	5,000,000	-
Financial liabilities		361,445	26,388
<b>Total current liabilities</b>		<b>8,561,767</b>	<b>7,606,882</b>
<b>Non-current liabilities</b>			
Deferred tax liabilities	4	5,618,758	4,271,087
<b>Total non-current liabilities</b>		<b>5,618,758</b>	<b>4,271,087</b>
<b>TOTAL LIABILITIES</b>		<b>14,180,525</b>	<b>11,877,969</b>
<b>NET ASSETS</b>		<b>143,522,255</b>	<b>139,488,491</b>
<b>EQUITY</b>			
Issued capital	9	102,185,445	102,356,034
Reserve		148,770,928	135,763,063
Accumulated losses		(107,434,118)	(98,630,606)
<b>TOTAL EQUITY</b>		<b>143,522,255</b>	<b>139,488,491</b>

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 2021

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

For the half-year ended 31 December 2020

	Issued capital \$	Profits reserve \$	Accumulated losses \$	Total equity \$
<b>Balance at 1 July 2020</b>	<b>103,369,689</b>	<b>108,890,443</b>	<b>(90,166,243)</b>	<b>122,093,889</b>
Profit after tax for the half-year	-	-	21,497,699	21,497,699
<b>Total comprehensive gain for the half-year</b>	<b>-</b>	<b>-</b>	<b>21,497,699</b>	<b>21,497,699</b>
Transfer to Profits Reserve	-	22,045,878	(22,045,878)	-
<u>Transactions with shareholders:</u>				
Share buy back	(453,414)	-	-	(453,414)
Dividends paid	-	(2,538,018)	-	(2,538,018)
Cost of Share Purchase Plan	-	-	-	-
<b>Total transactions with shareholders</b>	<b>(453,414)</b>	<b>(2,538,018)</b>	<b>-</b>	<b>(2,991,432)</b>
<b>Balance as at 31 December 2020</b>	<b>102,916,275</b>	<b>128,398,303</b>	<b>(90,714,422)</b>	<b>140,600,156</b>

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 2021

	December 2021 \$	December 2020 \$
<b>Cash from operating activities:</b>		
Interest received	1,895	7,058
Dividends received	1,754,773	1,568,631
Proceeds from sale of trading investments	11,217,510	23,974,014
Payments for trading investments	(8,837,129)	(23,065,194)
Payments to suppliers and employees	(6,764,898)	(1,602,531)
Finance costs	(980)	(60)
Income taxes paid	(212,145)	-
Other income received	-	7,500
<b>Net cash (used in)/ provided by operating activities</b>	<b>(2,840,974)</b>	<b>889,418</b>
<b>Cash flows from investing activities:</b>		
Payments for long-term investments	(600,002)	-
Proceeds from repayment of investments	2,500,000	1,500,000
<b>Net cash provided by investing activity</b>	<b>1,899,998</b>	<b>1,500,000</b>
<b>Cash flows from financing activities:</b>		
Equity lending facility	5,000,000	-
Payment for Share Buy-Back costs	(170,589)	(453,414)
Dividends paid	(2,672,494)	(1,763,845)
<b>Net cash provided by/ (used in) financing activities</b>	<b>2,156,917</b>	<b>(2,217,259)</b>
Net increase in cash held	1,215,941	172,159
Cash at the beginning of the year	2,710,406	6,561,555
<b>Cash at the end of the year</b>	<b>3,926,347</b>	<b>6,733,714</b>

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 2021 were authorised for issue in accordance with a resolution of the Board of Directors on 21 February 2022.

## 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 2021 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 2021 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 2021 or 2022, was not material.

## 2. Total investment income (loss)

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

	2021 \$	2020 \$
Net realised (losses) / gains of trading investments <sup>1</sup>	(2,843,699)	5,676,396
Gain/(loss) that had been unrealised in prior period for trading investments which were realised in the reporting period <sup>2</sup>	3,023,666	1,604,484
Unrealised gain/(loss) for change in fair value of:		
- Trading investments	(5,473,074)	22,392,877
- Long term investments <sup>3</sup>	15,057,409	5,927,000
<b>Net changes in fair value of investments</b>	<b>9,764,302</b>	<b>35,600,757</b>
Interest income	1,895	7,058
Dividend income	1,754,773	1,473,291
Other income	-	7,500
<b>Total investment income</b>	<b>11,520,970</b>	<b>37,088,606</b>

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

<sup>2</sup> Gain/(loss) that had been unrealised in prior period for trading investments which were realised in the reporting period, represents the 30 June 2021 unrealised fair value adjustments of investments sold in the reporting period.

<sup>3</sup> Includes a \$15.0 million fair value gain in 20 Cashews Pty Ltd (Dec 20: Gain of \$5.9 million).

## 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 2021	December 2020
<b>Current tax</b>		
Current income tax (benefit)/expense	(2,861,279)	3,354,224
<b>Deferred tax</b>		
Origination and reversal of temporary differences	4,208,950	5,231,950
<b>Income tax expense recognised in the Statement of comprehensive income</b>	<b>1,347,671</b>	<b>8,586,174</b>
<b>Profit before income tax (expense)</b>	<b>8,224,518</b>	<b>30,083,873</b>
Prima facie tax expense on profit from ordinary activities before income tax at 25% (2020: 30%)	(2,056,130)	(9,025,162)
Deferred income tax benefit/(expense)		
- Imputation credits converted to losses	741,587	631,410
- Imputation credits on dividends received	(185,397)	(189,423)
- Adjustment for change in corporate tax rate	164,273	-
- Other adjustment	12,005	(2,999)
<b>Income tax (expense) recognised in the Statement of comprehensive income</b>	<b>(1,347,671)</b>	<b>(8,586,174)</b>

### 4. Deferred tax

	December 2021	June 2021
<b>Deferred tax</b>		
Financial assets	(17,945,705)	(13,791,410)
Business establishment costs	780	25,782
Other	500,695	13,421
Losses available for offsetting against future taxable income	11,825,472	9,481,120
<b>Net deferred tax (liability)</b>	<b>(5,618,758)</b>	<b>(4,271,087)</b>

At 31 December 2021, the Company has estimated unused gross revenue tax losses of \$47,307,888 (June 2021: \$36,465,846) 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 2021, the Company has estimated unused gross capital tax losses of \$30,714,821 (June 2021: \$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 2021	June 2021
<b>Assets measured at fair value</b>		
Level 1: Listed equities	118,000,314	125,310,737
Level 2: -	-	-
Level 3: Long-term financial assets <sup>1</sup>	35,443,991	22,314,588
<b>Total financial assets</b>	<b>153,444,305</b>	<b>147,625,325</b>
Total current	118,000,314	125,310,737
Total non-current	35,443,991	22,314,588
<b>Liabilities measured at fair value</b>		
Level 1: -	361,445	26,388
Level 2: -	-	-
Level 3: -	-	-
<b>Total financial liabilities</b>	<b>361,445</b>	<b>26,388</b>

<sup>1</sup> 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 (54%), shares in Prime Media Group Limited (22%), Independent Media Publishers Pty Ltd (IMP) investments, including an investment holding in realestateview.com.au (5%), and surplus real estate assets (19%).

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:	20C	Other	Total
Balance at 1 July 2021	21,500,000	814,588	22,314,588
Unrealised gain recognised in Statement of comprehensive income	14,993,895	35,506	15,029,401
Redemption of convertible notes <sup>1</sup>	(2,500,000)	-	(2,500,000)
Long term Financial Assets additions	-	600,002	600,002
Transfer from Level 1	-	-	-
<b>Balance at 31 December 2021</b>	<b>33,993,895</b>	<b>1,450,096</b>	<b>35,443,991</b>

<sup>1</sup> TOP received repayments of capital during the half-year period totalling \$2,500,000 for the redemption of convertible notes from 20C. We refer to the interim financial report of the previous financial year for the comparable information.

## 6. Cash and short term deposits

	December 2021 \$	June 2021 \$
Cash at bank	3,926,347	2,710,406
<b>Total cash and short term deposits</b>	<b>3,926,347</b>	<b>2,710,406</b>

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 2021 \$	June 2021 \$
Management fee accrual (payable)	1,212,340	1,170,094
Performance fee accrual	1,773,275	5,810,730
Dividend payable	104,136	223,286
Sundry creditors and accruals	110,571	376,384
<b>Total payables and accruals</b>	<b>3,200,322</b>	<b>7,580,494</b>

Dividend Payable represents the deferred payment of dividends to Thorney Holdings Pty Ltd, which is non-interest bearing and unsecured. Sundry creditors are generally paid in accordance with the terms negotiated with each individual creditor. The Management fee and Performance fee is paid within 60 days of receiving an invoice from the Investment Manager. The carrying value of Payables approximates Fair Value.



# Notes to the financial statements continued

## 8. Equity lending facility

	December 2021 \$	December 2020 \$
NAB - Margin lending facility	5,000,000	-
<b>Total Equity Lending Facility</b>	<b>5,000,000</b>	-

During the period, the Company entered an Equity Lending Facility with National Australia Bank Ltd to provide margin lending finance for general investment purposes. The Company has lodged certain listed equities as collateral with the lender. 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.

## 9. Issued capital

	December 2021 Number of shares	June 2021 Number of shares	December 2021 \$	June 2021 \$
<b>(a) Ordinary shares</b>				
Balance at 1 July	198,097,499	200,071,679	102,356,034	103,369,689
Share Buy-Back	(300,726)	(1,974,180)	(170,589)	(1,010,905)
Cost of issue	-	-	-	(2,750)
<b>Total issued and authorised capital</b>	<b>197,796,773</b>	<b>198,097,499</b>	<b>102,185,445</b>	<b>102,356,034</b>

## 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 2021 and 2020.

<b>Services from and transactions with related parties<sup>1</sup></b>		
	December 2021 \$	December 2020 \$
<i>Entities with significant influence over the Company:</i>		
Thorney Management Services Pty Ltd <sup>1</sup>	2,985,615	6,560,405
TIGA Trading Pty Ltd	26,000	26,000
<i>Related parties of key management personnel of the Company:</i>		
Arnold Bloch Leibler	35,450	27,811

All related party transaction amounts are shown exclusive of GST

<sup>1</sup> 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 2021, a Performance Fee of \$1,773,275 has been accrued in the December 2021 Half-year financial statements (Dec 2020: \$5,543,432). 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 2021	December 2020
Basic and diluted earnings (loss) per share (cents)	3.47	10.77
Gain used in calculating basic and diluted earnings (loss) per share (\$)	6,876,847	21,497,699
	2021 Number of Shares	2020 Number of shares
Weighted average number of ordinary shares used in calculating basic and diluted earnings (loss) per share	197,984,878	199,590,942

## 12. Dividends

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

	December 2021 \$	December 2020 \$
(a) Final Dividend FY 2021 A fully franked dividend of 1.35 cents per share for the year ended 30 June 2021 was paid on 30 September 2021	2,672,494	2,538,018
(b) Interim Dividend FY 2022 not recognised at half-year end Since the end of the half-year, the Directors have declared a 1.00 cent per share fully franked dividend which has not been recognised as a liability at the end of the half-year	1,977,968	1,593,047

## 13. Contingent liabilities

The Company has no contingent liabilities as at 31 December 2021 (2020: nil).

## 14. Subsequent events

On 3 February 2022, the Company announced an extension to its on-market share buy-back for the period 19 February 2022 to 18 February 2023, unless the maximum number of shares are bought back prior to this date or TOP decides to cease the buy-back.

## 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 2021 are in accordance with the *Corporations Act 2001*, including:
  - (i) giving a true and fair view of the financial position as at 31 December 2021 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,  
21 February 2022

## 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 2021, 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, nothing has come to our attention that causes us to believe that the half-year financial report of the Company is not in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Company's financial position as at 31 December 2021 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


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 2021 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*.

## Auditor's Responsibility

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.



Ernst & Young



Tony Morse  
Partner

Melbourne  
21 February 2022

