

# INVESTMENT UPDATE AND NTA REPORT DECEMBER 2022



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

NTA Current Month	Before Tax <sup>1</sup>	After Tax <sup>1</sup>
31-Dec-22	30.1 cents	35.1 cents
NTA Previous Month	Before Tax <sup>1</sup>	After Tax <sup>1</sup>
30-Nov-22	31.3 cents	36.0 cents

<sup>1</sup> Figures are unaudited and approximate.

## KEY ASX INFORMATION (AS AT 31 DECEMBER 2022)

<b>ASX Code</b>	TEK
<b>Structure</b>	Listed Investment Company
<b>Inception Date</b>	January 2017
<b>Market Capitalisation</b>	\$86.1 million
<b>Share Price</b>	20.25 cents
<b>Shares on Issue</b>	425,041,104
<b>Management Fee</b>	0.75% half yearly
<b>Performance Fee</b>	20% of net portfolio increase over pcp
<b>Manager</b>	Thorney Investment Group

## INVESTMENT PERFORMANCE

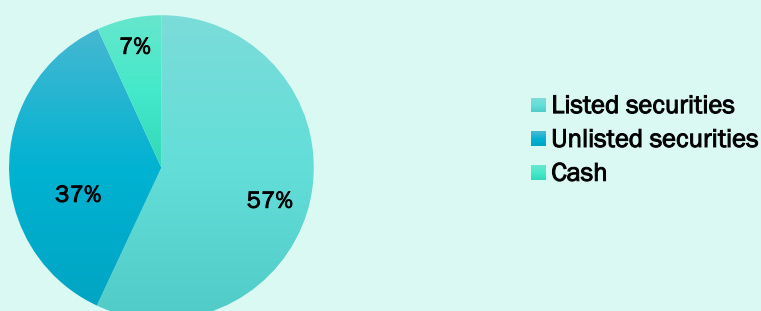
As at 31 Dec 2022	1 Month	1 Year	Since Inception
TEK investment portfolio	-2.55%	-30.04%	11.41%
S&P Small Ordinaries Accum. Index	-3.73%	-18.39%	6.43%
Performance versus Index	1.18%	-11.65%	4.98%

\* Investment performance is calculated on an after-tax NTA basis.

## TEK SECURITIES

LISTED SECURITIES				UNLISTED SECURITIES		
Rank	Company	Code	% of Total Portfolio	Rank	Company	% of Total Portfolio
1	Calix	CXL.ASX	10.9	1	Updater Inc.	7.2
2	Nitro Software	NTO.ASX	5.0	2	Aglive Group	2.0
3	Credit Clear	CCR.ASX	3.1	3	360 Capital Fibreconx Trust	1.5
4	Imugene	IMU.ASX	2.8	4	FinClear	1.3
5	Avita Medical	AVH.ASX	2.3	5	WSC Sports	1.2

## ALLOCATION OF INVESTMENTS



## LISTED SECURITIES

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

### JAYRIDE LIMITED

- Jayride Limited (JAY.ASX) closed a new \$1 million credit line facility to further strengthen its balance sheet and provide additional liquidity and flexibility to support its growth strategy.
- The facility was part of the cash flow management strategy outlined in the company's Q1 FY23 Quarterly Business Review published on 27 October 2022.
- In that review, JAY stated that it would use the facility to bring forward up to \$800,000 of accounts receivable during Q2 FY23.
- However, following the company's successful equity placement of \$4.1 million in November and the ongoing Share Purchase Plan, as well as reduced costs, JAY no longer intends to draw down that amount during Q2.
- The facility, secured with specialist secured lender TP24 Australia, has interest on drawn amounts of 9.22% (calculated as 6.30% plus the 30-day BBSW bid rate, currently 2.92%) and a fee of 1.50% on the facility size.
- On 2 December, FIL Limited became a substantial shareholder in JAY with a holding of 9.95% of shares.

### ZIP CO LIMITED

- ZIP Co Limited (ZIP.ASX) successfully retired \$70 million of its \$400 million convertible bond, at a very significant discount to face value.
- That amount of Existing Notes would now be converted into fully paid ordinary shares at a conversion price of \$12.0576 per share and Noteholders will also receive a cash payment of \$17,860 per \$100,000.
- ZIP also completed an institutional equity placement for the issue of 22 million fully paid ordinary shares on 19 December 2022 at a fixed price of \$0.62 with proceeds to fund the cash payment of Notes and other transaction costs.
- ZIP said the impact of the completion of the conversion invitation and the equity placement will have the following impact:
  - Reduce the cash liability under its Existing Notes payable on 23 April 2025 by \$76.6 million
  - Increase the number of shares on issue by 27.8 million shares
  - Neutral impact on cash balance

### AVITA MEDICAL INC.

- Avita Medical Inc. (AVH.ASX; NASDAQ:RCEL) announced the submission of a Premarket Approval (PMA) application to the U.S. Food and Drug Administration (FDA) for its RECELL® System – a product for the treatment of acute thermal burn wounds.
- The application, if approved, will expand the indication of RECELL to include the treatment of stable vitiligo – a disease that causes loss of skin color in patches.
- The PMA application includes the recently released results of AVH's pivotal trial for vitiligo. The study achieved its primary effectiveness endpoint of super-superiority ( $p < 0.025$ ).
- The study compared repigmentation success rates in treating patients with segmental and non-segmental stable vitiligo.
- The RECELL System earned FDA Breakthrough Device designation for its proposed indication of vitiligo.
- Under the program, AVITA Medical will receive prioritised review and interactive communication with the FDA throughout the premarket review phase.
- The standard FDA review timeline for a PMA application is 180 days.
- Earlier in December, AVH also announced the submission of a PMA supplement application to the FDA for RECELL.
- If approved, will expand the indication of RECELL to include soft tissue repair, with AVH saying the indication expands its current market opportunity by at least three times and is expected to create a significant growth opportunity beginning in July 2023.
- The PMA supplement includes recently released results of AVH's pivotal trial for soft tissue repair, which met both co-primary endpoints, demonstrating that RECELL is statistically significant in donor sparing and statistically non-inferior in healing outcomes.

## NEXT SCIENCE LIMITED

- Next Science Limited (NXS.ASX) entered into a conditional \$10,000,000 secured convertible note deed with major shareholder, Walker Group Holdings Pty Limited.
- The company said the transaction, if shareholder approved, would provide the necessary capital to allow it to pursue the commercial success of all aspects of its business and support its ongoing R&D program.
- NXS intends to call and convene a shareholder meeting for early February 2023 to seek shareholder approval for the deed.

## TOUCH VENTURES LIMITED

- Touch Ventures Limited (TVL.ASX) announced a review of the valuation of its investment portfolio which has resulted in a negative adjustment to the NTA of \$34.6 million, reducing the total NTA to \$125.9 million.
- TVL said the adjustment is mainly driven by changes in the carrying values of Sendle, Postpay and Till Payments and reflects the change in market conditions which has impacted valuation multiples along with the individual business performance of the relevant companies.
- The company said it believes that it is prudent to take a conservative view to valuations considering the current economic climate and will continue to assess the value of the investments at the end of each reporting period.
- Valuations are subject to the 2022 full year audit.

## DOCTOR CARE ANYWHERE GROUP PLC

- Doctor Care Anywhere Group PLC (DOC.ASX) announced that its subsidiary, Doctor Care Anywhere Limited entered into a four-year secured and guaranteed loan agreement with AXA PPP Healthcare Group Limited to borrow up to £10,000,000 in three tranches.
- Funds will be used by the company for general working capital purposes in accordance with the terms of the Loan.

### 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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