

# INVESTMENT UPDATE AND NTA REPORT

## APRIL 2023



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

NTA Current Month	Before Tax <sup>1</sup>	After Tax <sup>1</sup>
30-Apr-23	26.7 cents	32.6 cents
NTA Previous Month	Before Tax <sup>1</sup>	After Tax <sup>1</sup>
31-Mar-23	27.2 cents	33.0 cents

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

### KEY ASX INFORMATION (AS AT 30 APRIL 2023)

ASX Code	TEK
Structure	Listed Investment Company
Inception Date	January 2017
Market Capitalisation	\$78.5 million
Share Price	18.5 cents
Shares on Issue	424,376,592
Management Fee	0.75% half yearly
Performance Fee	20% of net portfolio increase over pcp
Manager	Thorney Investment Group

### INVESTMENT PERFORMANCE

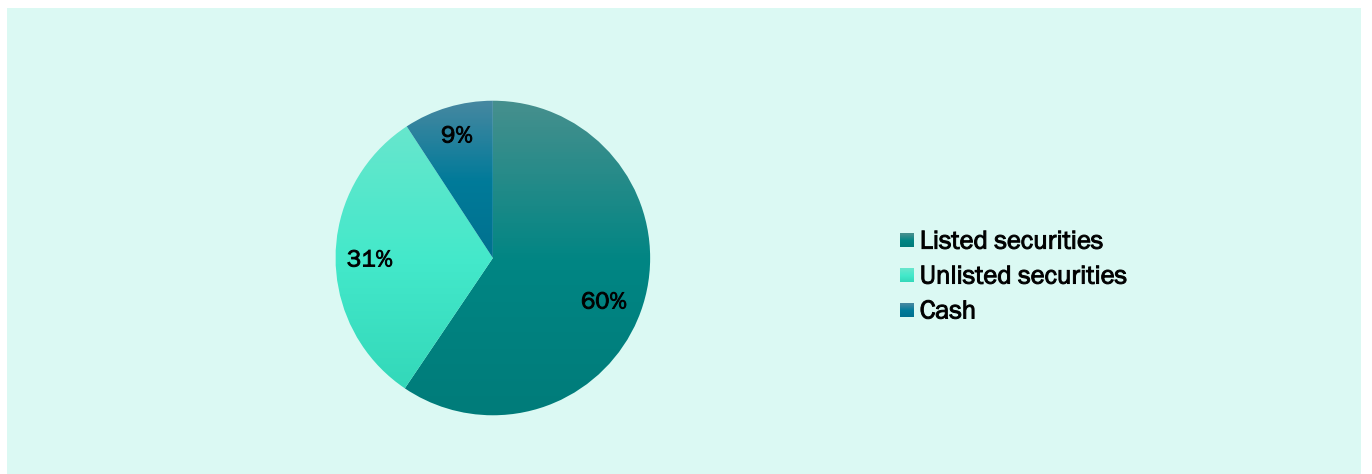
As at 30 Apr 2023	1 Month	1 Year	Since Inception
TEK investment portfolio	-1.03%	-23.07%	8.97%
S&P Small Ordinaries Accum. Index	2.78%	-9.43%	7.13%
Performance versus Index	-3.81%	-13.64%	1.84%

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

### TEK LISTED SECURITIES

Rank	Company	Code	% of Total Portfolio
1	Calix	CXL.ASX	13.1
2	Avita Medical	AVH.ASX	5.9
3	Imugene	IMU.ASX	2.8
4	Iris Energy	IREN.NAS	2.5
5	Clarity Pharmaceuticals	CU6.ASX	2.3

### ALLOCATION OF INVESTMENTS



## LISTED SECURITIES

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

### IMUGENE LIMITED

- Imugene Limited (IMU.ASX) announced it has dosed the first patients in the intravenous (IV) and intratumoral (IT) arms in cohort 3 of the monotherapy dose escalation trial for VAXINIA.
  - The study remains on schedule, having now dosed patients in cohort 3 of the IV and IT arms of the monotherapy dose escalation, as well as cohort 1 of the study in combination with Pembrolizumab.
  - The multicentre Phase 1 MAST trial commenced by delivering a low dose of VAXINIA to patients with metastatic or advanced solid tumours who have had at least two prior lines of standard of care treatment.
  - VAXINIA has been shown to shrink colon, lung, breast, ovarian and pancreatic cancer tumours in preclinical laboratory and animal models.
  - Overall, the study aims to recruit up to 100 patients across approximately 10 trial sites in the United States and Australia.
  - IMU also announced positive imaging data on its oncolytic virotherapy candidate, CHECKvacc (CF33-hNIS-antiPDL1), which was presented at the AACR Annual Meeting 2023. Oncolytic virotherapy is a form of immunotherapy that uses viruses to infect and destroy cancer cells.
  - IMU also received a R&A tax refund for FY2022 totalling \$12.6 million.
  - **Thorney view: VAXINIA represents a promising therapy for difficult to treat conditions and positions Imugene well for further value creation.**
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### CREDIT CLEAR LIMITED

- On 9 May, Credit Clear Limited (CCR.ASX) announced it had raised \$8.5 million from new and institutional shareholders via a Placement, conducted at an Offer Price of \$0.23 per share.
  - The use of proceeds from the Placement is as follows:
    - fund initial onboarding and integration costs of recently secured marquee clients and prospective clients;
    - fund specific data and security compliance requirements for new marquee clients;
    - fund business processing outsourcing with prospective clients;
    - invest in sales team to maximise pipeline client acquisitions and SaaS sales;
    - channel sales acceleration.
  - CCR Directors intend to participate in the Placement for a total of \$0.5 million, subject to shareholder approval.
  - The Placement follows CCR recording \$8.6 million in revenue in Q3 FY23, up 41% on the previous corresponding period (pcp), and signing 89 new clients, adding an expected \$3.2 million in potential revenue.
  - Post Q3 FY23, CCR signed a big four Australian bank - which is not included in the potential revenue for Q3 - which highlights the Company's growing position as provider of choice to Tier-1 companies in Australia.
  - **Thorney View: CCR has a strong pipeline of new customers and sufficient capital backing which should enable it to execute on its strategic objectives.**
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### AVITA MEDICAL LIMITED

- Avita Medical Limited (AVH.ASX) filed for a mixed shelf offering of up to US\$200 million and the offering may include common stock, preferred stock, warrants and units.
  - Proceeds from any offering may be used to fund working capital; research and development; acquisitions; repayment of debt; and repurchases and redemptions of securities.
  - AVH may also offer and sell up to 3,799,164 shares of its common stock from time to time through Cowen and Company acting as its agent.
  - This ATM program provides AVH with future flexibility for raising capital.
  - **Thorney View: We remain optimistic about AVH and believe that it will achieve both revenue growth and a broadening of its product offerings going forward.**
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### CLARITY PHARMACEUTICALS LIMITED

- Clarity Pharmaceuticals Limited (CU6.ASX) received a \$6.73 million Research and Development (R&D) Tax Incentive refund as part of the Australian Federal Government's R&D Tax Incentive program for FY2022.
- CU6 said the significant increase in the R&D tax rebate compared to the previous year (\$3.26 million in FY2021), is solely due to the rapid increase in its clinical development activities with all three of its product areas advancing quickly with Phase 3 trials expected to begin later this year.
- The \$6.7 million will provide additional funding to progress the development of Clarity's Targeted Copper Theranostic (TCT) platform of products.
- **Thorney View: We view radiopharmaceuticals as an exciting and prospective space. CU6 has six products under IND for US clinical trials, and whilst commercialisation is three years away, the Company is well-capitalised to go on the journey.**

## JAYRIDE GROUP LIMITED

- Jayride Group Limited (ASX.JAY) announced record revenue of \$475,000 and record trips of 61,000 in March, demonstrating early growth leading into the peak Northern Hemisphere summer season.
- The Company recorded net revenue of \$1.15 million in Q3 FY2023, up +97% vs Q3 FY2022, while passenger trips booked were 153,000 up +103% vs Q3 FY2022.
- JAY said the Q3 FY2023 exit run rate of 861,000 trips is set to grow in Q4 due to the Northern Hemisphere summer season.
- It said in each of FY2021 and FY2022, Jayride grew trips +81% from Q3 into Q4, driven by Northern Hemisphere summer peak season and reopenings.
- JAY added that this year it was set to catch the same tailwinds with its Europe Growth Hub fully operational, and optimisation for Asian destination reopening continuing.
- A repeat of last year's +81% growth would propel JAY well past its 1 million trips goal, the Company said.
- **Thorney view: JAY is positively positioned, and we are optimistic that the Company will deliver on its key Northern Hemisphere summer season initiatives, being the achievement of the "1 million trips at \$10/trip" milestone and cashflow positive.**

## UNLISTED INVESTMENTS

- The current economic and capital markets environment is proving to be a difficult one for unlisted and early-stage companies to raise capital. Indeed, if they are successful in raising capital, it is often at valuations below those previously achieved.
- With several unlisted portfolio positions currently assessing their future capital requirements, and given the preliminary nature of the commercial terms, TEK has determined it prudent to increase the general provision against the current carrying values by \$4.0 million to \$11.0 million.
- TEK will continue to closely monitor the capital requirements of its key unlisted portfolio positions and maintain its policy with respect to the assessment of carrying values.

## CHAIRMAN'S COMMENTS

Alex Waislitz said: *"Technology stocks and equities in general could continue to be volatile over the near to medium term with the RBA continuing to raise interest rates. TEK remains confident that with an eye to the medium to long term, there has never been a more opportune time to be investing in the exciting technology space. Many technology names are still looking more attractive at current levels given the broad sell off in the sector, providing opportunities for investors. Our view is that the revolutionary power of disruptive technology to improve lives, create new and more efficient businesses, stimulate economies and generate wealth is only just beginning. We continue with our 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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