

# INVESTMENT UPDATE AND NTA REPORT JANUARY 2023



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

NTA Current Month	Before Tax <sup>1</sup>	After Tax <sup>1</sup>
31-Jan-22	30.2 cents	35.2 cents
NTA Previous Month	Before Tax <sup>1</sup>	After Tax <sup>1</sup>
31-Dec-22 <sup>2</sup>	30.1 cents	35.1 cents

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

<sup>2</sup> Figures are subject to final review in accordance with statutory reporting requirements as at 31 December 2022.

## KEY ASX INFORMATION (AS AT 31 JANUARY 2023)

ASX Code	TEK
Structure	Listed Investment Company
Inception Date	January 2017
Market Capitalisation	\$78.6 million
Share Price	18.5 cents
Shares on Issue	425,041,104
Management Fee	0.75% half yearly
Performance Fee	20% of net portfolio increase over pcp
Manager	Thorney Investment Group

## INVESTMENT PERFORMANCE

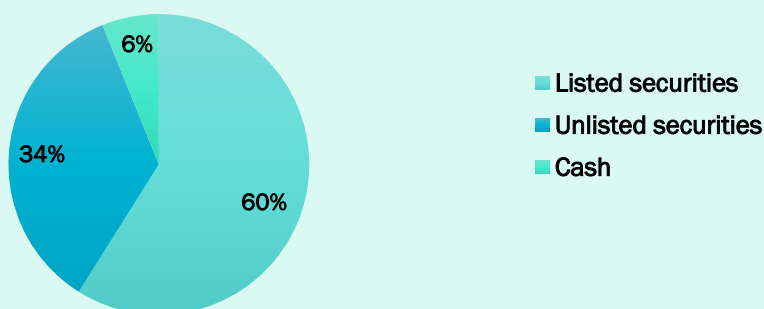
As at 31 Jan 2023	1 Month	1 Year	Since Inception
TEK investment portfolio	0.30%	-24.40%	11.34%
S&P Small Ordinaries Accum. Index	6.56%	-4.44%	7.83%
Performance versus Index	-6.26%	-19.96%	3.51%

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

## TEK SECURITIES

LISTED SECURITIES				UNLISTED SECURITIES		
Rank	Company	Code	% of Total Portfolio	Rank	Company	% of Total Portfolio
1	Calix	CXL.ASX	13.4	1	Updater Inc.	6.9
2	Nitro Software	NTO.ASX	4.7	2	Aglive Group	2.0
3	Avita Medical	AVH.ASX	3.0	3	Mosh	1.6
4	Credit Clear	CCR.ASX	2.6	4	360 Capital Fibreconx Trust	1.5
5	Imugene	IMU.ASX	2.5	5	FinClear Holdings	1.2

## ALLOCATION OF INVESTMENTS



## LISTED SECURITIES

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

### NITRO SOFTWARE LIMITED

- In early January, both rival bidders for Nitro Software Limited (NTO.ASX) – Alludo and Potentia Capital – made submissions to the Takeovers Panel in regard to shortcomings in the other party's bid.
- Potentia's submission claimed unacceptable circumstances in relation to NTO's behaviour, including the Board's decision not to grant it due diligence.
- The Takeovers Panel has considered the various applications but at this stage has not made any declaration of unacceptable circumstances in response to Potentia's claim.
- On 8 February 2023, the NTO Board decided to grant due diligence access to Potentia in order for Potentia to be in a position to consider increasing its bid.

### CALIX LIMITED

- Calix Limited (CXL.ASX) announced that the Solar Methanol Project, of which it is a consortium member, has been awarded funding to develop the production of sustainable fuels from captured process CO2 emissions.
- The project was awarded A\$19.48 million from the Australian Renewable Energy Agency (ARENA) and €13.2 million (~A\$20.19 million) from Germany's Federal Ministry of Education and Research (BMBF) to develop a world-first green methanol demonstration plant in Port Augusta, South Australia.
- To synthesise "green" methanol, the Project intends to use up to 15,000 tonnes per annum of CO2 captured by Calix's Low Emissions Intensity Lime and Cement (Leilac) technology during the production of low-emissions lime.
- CXL said the green methanol produced by the Project will be developed into sustainable fuels for the maritime and aviation sectors, two of the hardest-to-abate transport sectors responsible for 4.3% of global CO2 emissions.

### IMUGENE LIMITED

- Imugene Limited (IMU.ASX) announced it has received ethics approval to commence a Phase I trial of its novel cancer-killing virus VAXINIA in Australia. The first hospital to receive ethics approval was Tasman Oncology Research, a comprehensive cancer hospital located in South Australia and patient screening is schedule to commence in January.
- The primary aim of the Phase I trial is to determine safety and an optimal dose of VAXINIA as a monotherapy and later in combination with immune checkpoint inhibitors. Efficacy, tolerability and immune response will also be measured.
- VAXINIA has been shown to shrink colon, lung, breast, ovarian and pancreatic cancer tumors in preclinical laboratory and animal models.

### CREDIT CLEAR LIMITED

- Credit Clear Limited (CCR.ASX) posted its second consecutive cash flow positive quarter in Q2 FY23.
- Revenues for the quarter increased to \$184 million, up 162% on the previous corresponding period (pcp), while digital collections were a record \$15.4 million, up 100% on the pcp.
- CCR said its strong sales momentum continues with 83 new clients adding an expected \$2.8 million in estimated annual revenue.
- The ongoing integration of CCR's businesses continues with further operational efficiencies, a reduction in duplicate systems and role consolidation expected to benefit the Company in H2 FY23. As the year progresses, CCR expects that a more challenging economic environment will highlight its digital and people-led offering to prospective tier-one clients, including several marquee customers in the insurance and banking sectors that the company expects to sign in the near term.
- CCR's cash position at the end of the quarter was \$9.3 million.

### AVITA MEDICAL LIMITED

- Avita Medical Limited (AVH.ASX) announced changes to its management structure designed to advance its growth plans under recently appointed CEO, James Corbett. Effective January 19, 2023, AVH's product development, operations, and regulatory affairs teams will report directly to Mr. Corbett.
- AVH said these organisational changes are designed to streamline its operations in order to advance its strategic growth plans and drive sustained growth.
- AVH has initiated an external search for a new CFO with the capabilities and qualifications necessary to help accelerate its growth strategies, following the departure of the Company's CFO, Michael Holder, effective 19 January 2023. During this transition period, the Company's Senior Vice President of Finance, Sean Ekins, will serve as interim CFO.

## SPLITIT PAYMENTS LIMITED

- On 1 February, Splitit Payments Limited (SPT.ASX) announced it has signed a three-year partnership agreement with Ingenico, a global leader in payments acceptance solutions to provide one-touch, no interest BNPL solutions to the physical checkout experience.
- The agreement leverages Ingenico's cloud-based Payments-Platform-as-a-Service, and SPT's Installments-as-a-Service solution and will deliver a global, one-touch, no-interest BNPL service embedded into the merchant's existing POS terminal.
- It addresses the existing difficulties of providing traditional BNPL solutions at the point of sale and in-store checkouts and enables consumers to pay in instalments, with one touch, while using the same credit card they already pay with today and incurring no additional interest.
- The partnership will enable merchants to easily activate the service on their existing Ingenico terminal, allowing consumers to benefit from a pay-later service that does not originate new credit, whilst also earning their credit card rewards.
- Deployment begins in 2023, initially in the UK market, followed by expansion to global markets including the US, Canada & Europe.

## CHAIRMAN'S COMMENTS

Alex Waislitz said: *"The technology sector has enjoyed a buoyant start to 2023, but we expect the sector to be volatile over the months ahead as interest rate and valuation concerns weigh on performance.*

*Despite this, our view remains that with an eye to the medium to longer term, the value contained within the portfolio will manifest.*

*Many stock valuations are looking cheap, as evidenced by the flourish of M&A activity in the sector and we expect this to continue to be a key theme in 2023.*

*TEK has today announced the introduction of an on-market buyback, a further management initiative aimed at reducing the discount between the share price and the NTA.*



## 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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