

INVESTMENT UPDATE AND NTA REPORT MAY 2022



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

NTA Current Month	Before Tax ¹	After Tax ¹
31-May-22	71.1 cents	69.2 cents
NTA Previous Month	Before Tax ¹	After Tax ¹
30-Apr-22	74.3 cents	71.5 cents

¹Figures are unaudited and approximate.

KEY ASX INFORMATION (AS AT 31 MAY 2022)

ASX Code	TOP
Structure	Listed Investment Company
Inception date	January 2014
Market Capitalisation	\$97.5 million
Share Price	50.0 cents
Shares on Issue	195,084,757
Dividends	Half yearly
Management Fee	0.75% half yearly
Manager	Thorney Investment Group

INVESTMENT PERFORMANCE*

As at 31 May 2022	3 Months	6 Months	1 Year
TOP investment portfolio	-6.85%	-0.06%	7.49%
S&P Small Ordinaries Accum. Index	-3.58%	-11.02%	-4.56%
Performance versus Index	-3.27%	10.96%	12.05%

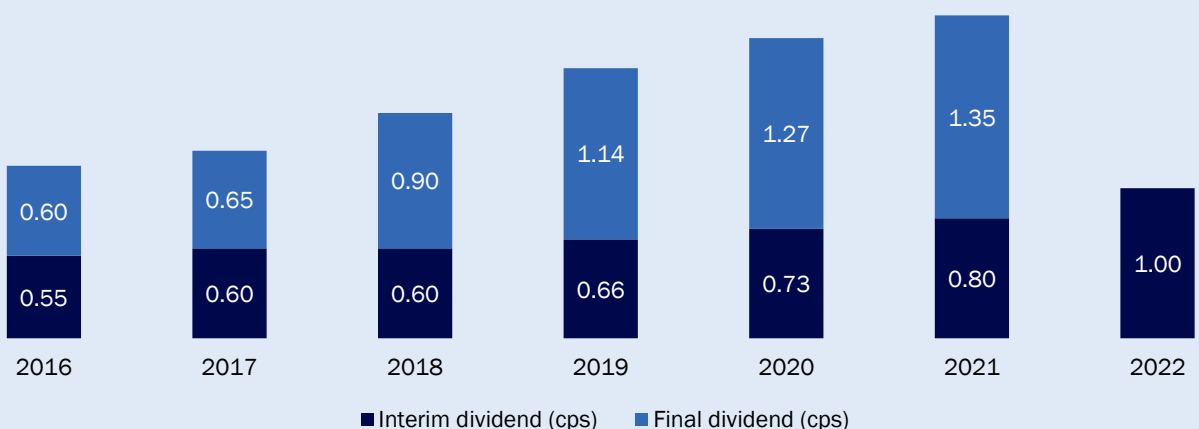
*Investment performance is calculated on a pre-tax NTA plus dividends basis.

TOP SECURITIES

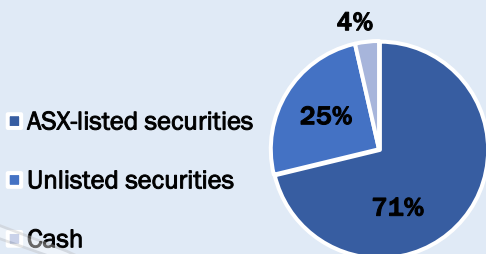
Rank	Company	% of Portfolio
1	20 Cashews Pty Ltd (ACM)*	25.08
2	Money3 Corporation	13.27
3	MMA Offshore	12.99
4	Austin Engineering	8.88
5	Southern Cross Electrical Engineering	6.62
6	Consolidated Operations Group	5.39
7	Service Stream	4.81
8	Ardent Leisure Group	4.08
9	Retail Food Group	3.58
10	AMA Group	3.36

*TOP's investment in ACM is via its holding of 20 Cashews Pty Ltd which has an underlying investment in ACM.

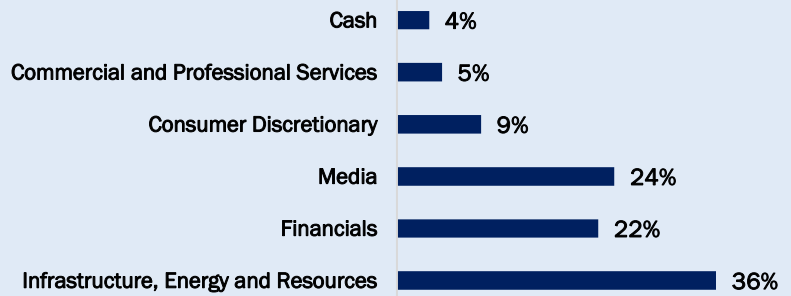
TOP FULLY FRANKED DIVIDEND HISTORY



ALLOCATION OF INVESTMENTS



PORTFOLIO SECTORS



PORTFOLIO COMMENTARY

The May NTA was affected by continued market weakness due to ongoing stagflation concerns on softer economic activity globally and as inflationary pressures continued to increase.

MONEY3 CORPORATION LIMITED

- Money3 Corporation Limited (ASX:MNY) announced it is implementing an on-market share buyback of up to \$15m for a period of up to 12 months as part of the Group's capital management strategy.
- It said the decision to buy back shares reflects the strong confidence of the Board and Management in the Group's financial performance and future growth prospects.
- MNY stated that implementing a buyback was the most appropriate capital management strategy at this time given the Group's strong financial health, together with a low level of leverage, and the lowest cost of capital the Group has ever had.

DECMIL GROUP LIMITED

- Decmil Group Limited (ASX:DCG) announced it has appointed experienced civil contracting leader Rod Heale as its new Chief Executive Officer, effective 20 June 2022.
- Mr Heale brings more than 30 years' experience in the building, construction and infrastructure industry across Australia, most recently as Chief Operating Officer of John Holland's Australia and Asia business.
- Prior to this he served for more than a decade as a Regional Executive for Thiess, John Holland and CPB Contractors.
- As Chief Operating Officer at John Holland, Mr Heale was responsible for a business with an annual revenue over \$5b, approximately 70 projects and 5,000 staff.

MMA OFFSHORE LIMITED

- MMA Offshore Limited (ASX:MRM) announced that it has been awarded a significant integrated vessel and subsea services contract to provide offshore construction support services in Qatar.
- The multi-purpose support vessel MMA Pinnacle will be deployed to Qatar to provide a range of subsea services in support of a tier-one contractor working on a pipeline installation campaign.
- The campaign is due to commence in early June 2022 and is expected to continue until December 2022.
- Revenue from the project is estimated to be in the order of US\$16.5m (approx. A\$23m) for the firm contract.
- The Company also announced Wasco Engineering Group Limited (Wasco) has entered into an agreement to purchase the Company's shipyard facility in Batam, Indonesia, in line with its strategy to divest non-core assets.
- The purchase price for the Batam Facility is US\$15m with completion due to take place on or before 30 December 2022.
- Proceeds from the sale will be used to strengthen the Company's balance sheet.
- The Batam Facility will remain sub-leased to Wasco for the period until completion with rent structured to de-escalate upon receipt of the tranche payments. MMA will retain a portion of the Batam Facility and have access to the wharf for a period of 5 years following completion of the sale.

ARDENT LEISURE GROUP LIMITED

- Ardent Leisure Group Limited (ASX:ALG) announced it has received US antitrust clearance for the proposed sale of the Main Event business (see ASX Announcement dated 6 April 2022).
- The Company will now proceed to convene a meeting of shareholders to vote on the transaction.
- ALG also announced that following its announcement on the sale of Main Event, which noted estimated proceeds for Ardent Leisure of US\$487m (subject to final purchase price adjustments), it has entered into foreign currency hedges to provide certainty over US\$485m of sale proceeds.
- The Company said that dependent on timing for completion of the sale, and assuming completion before 6 April 2023, these FX hedges will provide Australian dollar proceeds of at least A\$664.5m.
- ALG's obligations under the FX Hedges to deliver USD proceeds only arise either upon completion of the Main Event sale occurring or upon completion of a change of control of Ardent.

MAGGIE BEER HOLDINGS LIMITED

- Maggie Beer Holdings Group Limited (ASX:MBH) announced a trading update, saying that the cost pressures highlighted in its H1 FY22 results have continued into H2 FY22.
- The Group said that whilst it had factored some of these challenges into its full year forecast, some costs and the disruption to retailers, staffing and supply chain were more prolonged and higher than expected.
- The full year impact of these challenges on trading EBITDA is expected to be \$4.2m.
- The Group also restated its full year trading EBITDA range to between \$9.25-\$10.5m due to Mother's Day e-commerce sales not generating sufficient incremental revenue growth and underperformance of dairy assets.
- However, MBH said that it is on track to achieve its net sales revenue guidance with net sales of \$95m-\$100m.
- The Group also said that price increases have been implemented across e-commerce and retail grocery to offset the cost increases with the full benefits to be realised in FY23.
- It said subject to audited results and shareholder approval if required, it is the present intention of MBH to declare its first dividend or a capital return with the full year results of no less than 1c per share

CHAIRMAN'S COMMENTS

Alex Waislitz said: "Our portfolio performance was weaker during the month as inflationary concerns continued to impact equities. Despite these concerns and the ongoing market weakness, we remain confident about the earnings potential of our core infrastructure and resource services portfolio companies and the longer-term positive thematics of key holdings such as MNY and COG.

At the same time, we remain committed to reducing and eliminating the discount of our share price to NTA and continue to undertake a number of strategies to achieve this goal, including capital management initiatives through share buy backs.



COMPANY NEWS

Change of Share Registry

With effect from commencement of business on Monday 6 June 2022, TOP's register has been transferred from BoardRoom Pty Limited to **Computershare Investor Services Pty Limited**:

Address: Yarra Falls
452 Johnston Street
Abbotsford VIC 3067

Phone: 1300 850 505/ Overseas Callers: +61 3 9415 4000

Email: www.investorcentre.com/contact

Shareholders can easily and efficiently manage their holdings via Computershare's secure and highly accessible online Investor portal – Investor Centre. Investor Centre provides an online interface to update and manage shareholder details, view balances and transaction history. We recommend shareholders visit

www.investorcentre.com/au

INVESTMENT PHILOSOPHY

TOP undertakes thorough due diligence to identify fundamentally mispriced or undervalued companies and combine that with constructive advocacy with boards and management to implement change when required

INVESTMENT OBJECTIVES

- Producing absolute returns for shareholders over the medium- to long-term
- Delivering a strong fully franked dividend stream to shareholders

KEY CONTACTS

Corporate

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ABOUT THORNEY OPPORTUNITIES LTD

Thorney Opportunities Ltd (TOP) is an ASX-listed investment company that invests in listed and unlisted equities and financial assets, in a variety of sectors, including media, automotive, energy, engineering and mining services and financial services.

Our primary focus is on the careful selection of investments which enables us to be a constructive catalyst towards unlocking the value in the companies identified. TOP is managed by the privately owned Thorney Investment Group pursuant to a long-term investment management agreement.

You can invest in TOP by purchasing shares on the Australian Securities Exchange (ASX).

For more information visit: <https://thorney.com.au/thorney-opportunities/>

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