

INVESTMENT UPDATE AND NTA REPORT NOVEMBER 2023



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

NTA Current Month	Before Tax ¹	After Tax ¹
30-Nov-23	74.2 cents	72.5 cents
NTA Previous Month	Before Tax ¹	After Tax ¹
31-Oct-23	69.5 cents	69.1 cents

¹ Figures are unaudited and approximate.

KEY ASX INFORMATION (AS AT 30 NOVEMBER 2023)

ASX Code	TOP
Structure	Listed Investment Company
Inception date	January 2014
Market Capitalisation	\$90.7 million
Share Price	48 cents
Shares on Issue	188,943,886
Dividends	Half yearly
Management Fee	0.75% half yearly
Performance Fee	20% of net NTA increase over pcg
Manager	Thorney Investment Group

INVESTMENT PERFORMANCE*

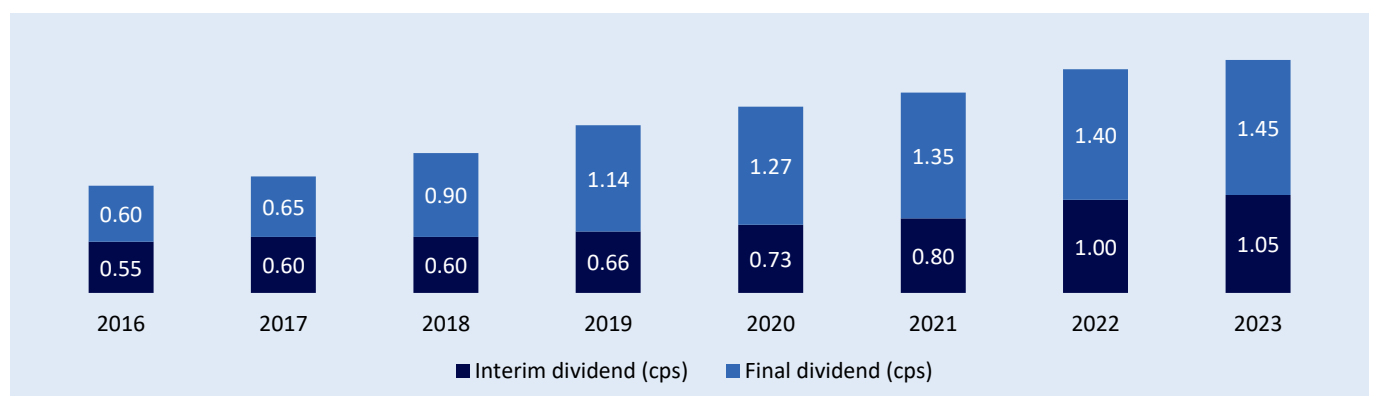
As at 30 November 2023	3 Months	6 Months	1 Year	Since Inception
TOP investment portfolio	3.27%	6.07%	4.63%	8.98%
S&P Small Ordinaries Accum. Index	-2.88%	-0.73%	-3.19%	7.31%
Performance versus Index	6.15%	6.80%	7.82%	1.67%

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

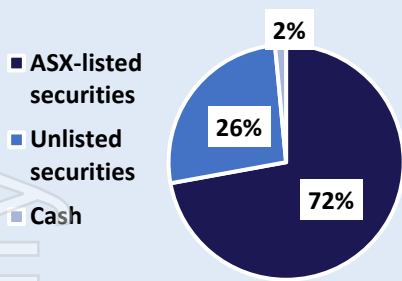
TOP SECURITIES

Rank	Company	% of Portfolio
1	20 Cashews	25.8
2	MMA Offshore	22.3
3	Austin Engineering	9.8
4	Southern Cross Electrical Engineering	8.2
5	Solvar	6.1
6	Decmil Group	5.6
7	Service Stream	5.4
8	COG Financial Services	4.3
9	Retail Food Group	3.2
10	Earlypay	1.8

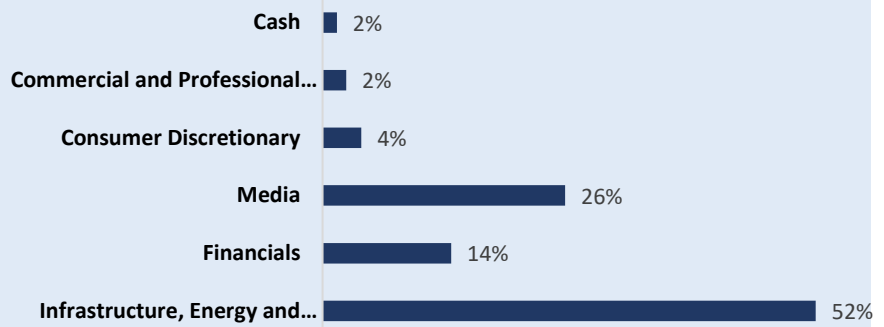
TOP FULLY FRANKED DIVIDEND HISTORY



ALLOCATION OF INVESTMENTS



PORTFOLIO SECTORS



CASH BALANCE AND AVAILABLE FACILITIES

- Cash held short-term with the major banks \$2.1 million
- Prime broker and margin lending facilities available: undrawn as at 30 November 2023

OVERVIEW

- The TOP NTA as at 30 November 2023 was 6.8% higher compared to 31 October driven by contributions from MRM, ANG and AMA.

INVESTEE COMPANY UPDATES

MMA OFFSHORE LIMITED

- MMA Offshore Limited (ASX.MRM) provided a trading update, with the company advising that EBITDA for the first half of FY2024 is currently expected to be in the range of \$55-\$60 million.
- MRM said its business has had a strong start to the financial year with its vessels, subsea and project logistics divisions all delivering higher-than-expected earnings for the first four months of FY2024, together with a solid contracted revenue position for the remainder of the first half of the financial year.
- Contracting for the second half of the financial year whilst incomplete is continuing to firm up with negotiations for several vessels and projects progressing well, albeit remaining subject to final agreements, it said.
- MRM also announced the award of a contract by Timor Gap Drilling And Services, Unipessoal, LDA (a subsidiary of Timor Gap E.P.) in association with Santos Ltd (ASX.STO) to provide offshore decommissioning services in Timor-Leste. The multi-purpose support vessel, *MMA Prestige*, will be deployed to Timor-Leste to provide a range of subsea services in support of decommissioning activities.
- The campaign is due to commence 1st quarter 2024 with contract revenue for the planned scope of work expected to be approximately \$15.7 million, MRM said.
- **Thorney view: We are confident in MRM's continued earnings potential due to increased fleet utilisation, rising vessel rates and growing service revenue, associated with the recovery in the oil and gas markets and the surge in offshore wind construction. We are optimistic that these factors are likely to lead to a further increase in the NTA per share.**

EARLYPAY LIMITED

- Earlypay Limited (ASX.EPY) announced the acquisition of selected assets of Timelio Pty Ltd (Timelio), a specialist invoice and trade finance provider to Australian SMEs for a purchase price of c. \$3 million.
- The assets being acquired include selected customer receivables, IP, software, and other assets.
- The acquisition is EPS accretive and has additional strategic benefits for EPY, including:
 - Adding c. \$35m of Funds in Use (FIU) in a core invoice finance product and c. \$5m FIU in trade finance;
 - A high-quality portfolio: many of the customers joined Timelio through its acquisition of the Bendigo Bank invoice finance portfolio in 2022.
 - A Supplier Early Payment software platform which facilitates corporates paying supplier invoices early for a small discount. EPY intends to grow the Supplier Early Payment business which also offers potential cross-selling opportunities for the Company's existing invoice, equipment, and trade finance product.
 - Specialist SME lending team to bolster existing staffing capabilities across Finance & Treasury, Marketing, Technology & Software Development, Supplier Early Payment product management, Client Management, Risk and Operations.
 - An increased on-the-ground presence in Victoria.
- **Thorney view: We have a positive outlook for EPY's earnings, driven by a reduction in credit losses in FY24, a refinancing of its debt facilities and completion of the Timelio acquisition. In addition, we are cautiously optimistic about the company recommissioning the payment of dividends.**

IN THE NEWS/COMPANY NEWS

Antony Catalano, View Media Group Executive Chairman featured in *The Australian*

View Media Group (VMG) Executive Chairman Antony Catalano was featured in an article in *The Australian*, which highlighted his discussion with Alex Waislitz at the **Thorney Opportunities Investment Forum**, held on 14 November 2023.

In the article, Mr Catalano talks about how VMG “poses a very serious threat” and will disrupt the Australian real estate transactions market.

VMG launched its new real estate portal, view.com.au, on AFL Grand Final Day at the end of September.

The portal provides potential buyers with an improved way to find suitable properties and delivers vendors and agents with a better way to connect with these buyers via a “Freemium” listing model.

The portal allows vendors to list their properties for free, with upgraded paid options available for those agents who wish to further promote their listings and brands.

The initial take-up has manifested in listings in excess of 140,000, and feedback from agents, developers and others involved in the real estate transactions market has been strong.

20 Cashews Pty Ltd has an approximate 30% interest in VMG and is excited about the future prospects for VMG.

Australian Community Media, which is 100% owned by 20 Cashews, continues its business transformation and has traded strongly over the first five months of FY2024.

To listen to the recording of Antony Catalano at the Investment Forum and/or David Ross, Managing Director of MMA Offshore Limited, and/or Graeme Dunn, Managing Director and CEO of Southern Cross Electrical Engineering Limited, click [here](#).

CHAIRMAN'S COMMENTS

Alex Waislitz said: *“We believe now is a good time to be considering small cap stocks, with many looking to be good value given the underperformance in the sector and signs that the volatility in equity markets may subside over the coming months on a more positive global interest rate and inflation outlook. TOP continues to be confident on our infrastructure, mining and resources services names as they are performing well, with strong order books and buoyant earnings outlooks.*

At the Company's AGM, I announced the proposed introduction of a high watermark for TOP, commencing 1 July 2023. The high watermark is an additional initiative designed to address the share price discount to NTA. We also continue with our on-market buyback program for TOP shares, which commenced 9 March 2023 and will remain in place for a period of 12 months to 8 March 2024.

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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

Craig Smith – Company Secretary
E: craig.smith@thorney.com.au
T: + 61 3 9921 7116

INVESTORS

Gabriella Hold – Automic Markets
E: gabriella.hold@automicgroup.com.au
T: + 61 411 364 382

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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