



# Thorney Opportunities Ltd

ABN 41 080 167 264

Appendix 4D and  
2021 Half-Year  
Financial Statements



# THORNEY OPPORTUNITIES LTD

ABN 41 080 167 264

## APPENDIX 4D (Listing Rule 4.2A3)

Financial statements for the half-year ended 31 December 2020

(All comparisons to half-year ended 31 December 2019)	\$'000s	Movement \$'000s	Up/Down	Movement
Revenue/(loss) from ordinary activities	37,089	39,465	Up	>100%
Profit/(loss) after tax for the year	21,498	24,688	Up	>100%

Dividend information	Amount per share (cents)	Franked amount per share (cents)	Tax rate for franking credit
2021 Interim dividend per share	0.80	0.80	30.00%
2020 Final dividend per share	1.27	1.27	30.00%
2020 Interim dividend per share	0.73	0.73	27.50%

2021 Interim dividend dates	
Ex-dividend date	16-Mar-21
Record date	17-Mar-21
Interim dividend payment date	31-Mar-21

The Company's Dividend Reinvestment Plan (DRP) will not apply to the 2021 Interim dividend.

	31-Dec-20	30-Jun-20	31-Dec-19
Net tangible asset backing per ordinary share	70.6 cents	61.0 cents	77.4 cents

This report should be read in conjunction with the Thorney Opportunities Ltd 2020 Annual Report.

Additional information supporting the Appendix 4D disclosure requirements can be found in the Directors' Report and the financial statements for the half-year ended 31 December 2020.

This report is based on the financial statements for the half-year ended 31 December 2020 which have been reviewed by Ernst & Young.

# Company particulars

Thorney Opportunities Ltd is a disclosing entity under the *Corporations Act 2001* and currently considered an investment entity pursuant to ASX Listing Rules. The Company is primarily an investor in listed equities on the Australian securities market.

<b>ASX Code:</b>	TOP
<b>Security:</b>	Thorney Opportunities Ltd fully paid ordinary shares
<b>Directors:</b>	Alex Waislitz, Chairman Ashok Jacob Henry Lanzer AM Dr Gary Weiss AM
<b>Secretary:</b>	Craig Smith
<b>Country of incorporation</b>	Australia
<b>Registered office:</b>	Level 39, 55 Collins Street Melbourne Vic 3000
<b>Contact details:</b>	Level 39, 55 Collins Street Melbourne Vic 3000 T: + 613 9921 7116 F: + 613 9921 7100 E: <a href="mailto:craig.smith@thorney.com.au">craig.smith@thorney.com.au</a> W: <a href="http://www.thorneyopportunities.com.au">www.thorneyopportunities.com.au</a>
<b>Investment Manager:</b>	Thorney Management Services Pty Ltd Level 39, 55 Collins Street Melbourne Vic 3000 AFSL: 444369
<b>Auditor:</b>	Ernst & Young, Melbourne 8 Exhibition Street Melbourne Vic 3000
<b>Lawyers:</b>	Arnold Bloch Leibler Level 21, 333 Collins Street Melbourne Vic 3000
<b>Share Registry:</b>	Boardroom Pty Limited Level 12, 225 George Street Sydney NSW 2000 T: + 612 9290 9600 F: + 612 9279 0664 W: <a href="http://www.boardroomlimited.com.au">www.boardroomlimited.com.au</a> For all shareholder related enquiries please contact the share registry.

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## Chairman's letter

Dear Fellow Shareholders

Following the global share market falls experienced in March 2020, the TOP portfolio demonstrated a strong and sustained recovery during the first half of the 2021 financial year. TOP's Net Tangible Asset backing (NTA) after tax and fees as at 31 December 2020 closed at 70.6 cents per share, an increase of 15.7% compared to the NTA of 61.0 cents per share as at 30 June 2020. In addition, TOP also paid a 1.27 cents per share fully franked dividend during the period.

The increase in TOP's NTA in the six months ended 31 December 2020 was achieved despite the market's current focus on technology stocks and the fact that some of TOP's turnaround investments have taken longer than anticipated, due in part to the impact of COVID-19.

One very positive contribution to TOP's NTA growth came via its investment in 20 Cashews, which holds TOP's investments in the unlisted Australian Community Media Group (ACM), the listed Prime Media Group (PRT) and its investment in realestateview.com.au (REV). The ongoing restructure and strategic rationalisation of ACM, Australia's largest regional newspaper publishing business, led to an improved financial performance during the period. In addition, the share price of Prime Media Group increased 114% from June 2020. In line with the Company's accounting policy, the Directors have increased the carrying value of its investment in 20 Cashews to reflect the fair value of the respective investments in ACM, PRT and REV.

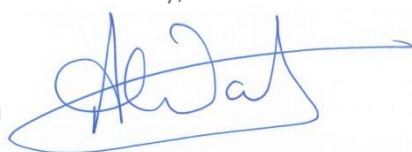
On the back of TOP's solid NTA growth, directors declared an increased interim dividend for the December half year of 0.80 cents per share fully franked, some 10% higher than the dividend end of 0.73 cents per share declared in the previous corresponding period.

I remain very confident that as the inherent value in TOP's portfolio is realised, TOP's NTA will continue to increase. Nevertheless, TOP's share price remains at a significant discount to NTA. This was one of the contributing factors to the Company announcing its intention to re-commence an on-market share buy-back from the period 19 February 2021 to 18 February 2022.

Directors continue to discuss a range of strategies to reduce or eliminate the TOP share price discount to NTA and we will inform the market of any decisions taken.

I will provide more detailed commentary on the TOP portfolio companies, including the improved performance of our investment in Australian Community Newspapers, in my next Chairman's Webinar Update in March 2021 after the conclusion of the 2021 interim results reporting season.

Yours sincerely,



**Alex Waislitz**  
Chairman  
24 February 2021

# Directors' report

The directors present their report, together with the financial statements of Thorney Opportunities Ltd (TOP or Company) for the half-year ended 31 December 2020 and the auditor's review report thereon. The financial statements have been reviewed and approved by the directors on the recommendation of the Audit and Risk Committee.

## 1. Directors

The directors of TOP in office during the half-year and at the date of this report are as follows:

<u>Name:</u>	<u>Period of Directorship:</u>
Alex Waislitz	Director since 21 November 2013
Ashok Jacob	Director since 21 November 2013
Henry Lanzer AM	Director since 21 November 2013
Dr Gary Weiss AM	Director since 21 November 2013

## 2. Principal activities

Thorney Opportunities Ltd is an investment company listed on the Australian Securities Exchange (ASX:TOP) and its principal activity is making investments in listed and unlisted securities.

## 3. Review of operations

For the half-year under review the Company recorded a net income after tax of \$21,497,699 and for the previous corresponding half-year recorded a net loss after tax of \$3,190,126. TOP's half year result reflects mark to market increases in the market value of the Company's listed portfolio, as well as the increase in the fair value of its investment in the Australian Community Media Group.

TOP's five largest portfolio holdings (SSM, AMA, MNY, PAL, MRM), represent circa 55% of the TOP's listed portfolio. MNY and AMA recorded the highest closing share price at 31 December 2020 and also had the largest recovery since 30 June 2020 which contributed to the overall unrealised gain for the period.

Since 30 June 2020 the Company has held a series of Investor Briefing Webinars. Key personnel from PAL, OVN, COG, ANG, COE and MRM participated and these presentations were recorded and are available on the TOP website.

The Net Tangible Asset Backing per share (NTA) after tax as at 31 December 2020 was 70.6 cents per share compared with 61.0 cents per share as at 30 June 2020. These figures are after dividend payments of 2 cents per share during 2021 financial year (2020: 1.8 cents).

A 2020 Final dividend of 1.27 cents per share fully franked was paid during the period and a 2021 interim fully franked dividend of 0.80 cents per share has been declared by the Board and will be paid on 31 March 2021.

During the half-year period, the Company became a substantial holder of QFE and RFG, and lodged change of interest of substantial holder notices for ISU, TNY, OVH, MNY, COG, DCG, MRM and AS1.

The On-Market Share Buy-Back announced on 5 December 2019, was completed on 18 December 2020. This resulted in a total of 4,488,314 shares being bought back at a cost of \$2,656,843, at an average of 59.19 cents per share.

## Directors' report (continued)

### 4. Subsequent events

On 3 February 2021 the Company announced its intention to re-commence an On-Market Share Buy-Back for the period 19 February 2021 to 18 February 2022, unless the maximum number of shares are bought back prior to this date or TOP decides to cease the buy-back.

### 5. Auditor's independence declaration

The Auditor's independence declaration, as required under section 307C of the *Corporations Act 2001*, is set out on the following page.

Signed in accordance with a resolution of directors:

A handwritten signature in blue ink, appearing to read 'Alex Waislitz', is written over a light blue rectangular background.

**Alex Waislitz**  
Chairman

Melbourne,  
24 February 2021



Building a better  
working world

Ernst & Young  
8 Exhibition Street  
Melbourne VIC 3000 Australia  
GPO Box 67 Melbourne VIC 3001

Tel: +61 3 9288 8000  
Fax: +61 3 8650 7777  
ey.com/au

## Auditor's Independence Declaration to the Directors of Thorney Opportunities Ltd

As lead auditor for the review of the half-year financial report of Thorney Opportunities Ltd for the half-year ended 31 December 2020, I declare to the best of my knowledge and belief, there have been:

- a) No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b) No contraventions of any applicable code of professional conduct in relation to the review.

Ernst & Young

Tony Morse  
Partner  
24 February 2021



# Statement of comprehensive income

For the half-year ended 31 December 2020

	Note	December 2020 \$	December 2019 \$
<b>Income</b>			
Net changes in fair value of trading investments	2	35,600,757	(4,791,527)
Interest income	2	7,058	134,303
Dividend income	2	1,473,291	2,280,628
Other income	2	7,500	-
<b>Total investment income/(loss)</b>	2	<b>37,088,606</b>	<b>(2,376,596)</b>
<b>Expenses</b>			
Management fees	7	(1,180,984)	(1,308,059)
Performance fees	7	(5,543,432)	-
Directors' fees		(84,863)	(84,863)
Finance costs		(60)	(137)
Fund administration and operational costs		(61,029)	(60,664)
Legal and professional fees		(101,645)	(96,134)
Other administrative expenses		(32,720)	(29,712)
<b>Total expenses</b>		<b>(7,004,733)</b>	<b>(1,579,569)</b>
<b>Profit/(loss) before income tax (expense)/benefit</b>		<b>30,083,873</b>	<b>(3,956,165)</b>
Income tax (expense)/benefit	3	(8,586,174)	766,039
<b>Total comprehensive gain/(loss) for the half-year</b>		<b>21,497,699</b>	<b>(3,190,126)</b>
<b>Basic and diluted gain/(loss) per share</b>	10	<b>10.77</b>	<b>(1.57)</b>

The Statement of comprehensive income should be read in conjunction with the notes to the half-year financial statements.

# Statement of financial position

As at 31 December 2020

	Note	December 2020 \$	June 2020 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and short-term deposits	6	6,733,714	6,561,555
Financial assets	5	136,011,935	107,538,844
Receivables		10,910	106,540
Prepayments		65,316	13,017
<b>Total current assets</b>		<b>142,821,875</b>	<b>114,219,956</b>
<b>Non-current assets</b>			
Financial assets	5	10,802,000	6,375,000
Deferred tax assets		-	3,306,556
<b>Total non-current assets</b>		<b>10,802,000</b>	<b>9,681,556</b>
<b>TOTAL ASSETS</b>		<b>153,623,875</b>	<b>123,901,512</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Payables and accruals	7	7,744,101	1,807,623
Borrowings from Prime Broker		-	-
<b>Total current liabilities</b>		<b>7,744,101</b>	<b>1,807,623</b>
<b>Non-current liabilities</b>			
Deferred tax liabilities	4	5,279,618	-
<b>Total non-current liabilities</b>		<b>5,279,618</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>		<b>13,023,719</b>	<b>1,807,623</b>
<b>NET ASSETS</b>		<b>140,600,156</b>	<b>122,093,889</b>
<b>EQUITY</b>			
Issued capital	8	102,916,275	103,369,689
Reserve		128,398,303	108,890,443
Accumulated losses		(90,714,422)	(90,166,243)
<b>TOTAL EQUITY</b>		<b>140,600,156</b>	<b>122,093,889</b>

The Statement of financial position should be read in conjunction with the notes to the half-year financial statements.

# Statement of changes in equity

For the half-year ended 31 December 2020

	Issued capital \$	Profits reserve \$	Accumulated losses \$	Total equity \$
<b>Balance at 1 July 2020</b>	<b>103,369,689</b>	<b>108,890,443</b>	<b>(90,166,243)</b>	<b>122,093,889</b>
Profit after tax for the half-year	-	-	21,497,699	21,497,699
<b>Total comprehensive gain for the half-year</b>	<b>-</b>	<b>-</b>	<b>21,497,699</b>	<b>21,497,699</b>
Transfer to Profits Reserve	-	22,045,878	(22,045,878)	-
<u>Transactions with shareholders:</u>				
Dividends paid	-	(2,538,018)	-	(2,538,018)
Share Buy-back	(453,414)	-	-	(453,414)
<b>Total transactions with shareholders</b>	<b>(453,414)</b>	<b>(2,538,018)</b>	<b>-</b>	<b>(2,991,432)</b>
<b>Balance as at 31 December 2020</b>	<b>102,916,275</b>	<b>128,398,303</b>	<b>(90,714,422)</b>	<b>140,600,156</b>

For the half-year ended 31 December 2019

	Issued capital \$	Profits reserve \$	Accumulated losses \$	Total equity \$
<b>Balance at 1 July 2019</b>	<b>105,585,376</b>	<b>88,486,055</b>	<b>(31,053,769)</b>	<b>163,017,662</b>
Loss after tax for the half-year	-	-	(3,190,126)	(3,190,126)
<b>Total comprehensive gain for the half-year</b>	<b>-</b>	<b>-</b>	<b>(3,190,126)</b>	<b>(3,190,126)</b>
Transfer to Profits Reserve	-	4,751,573	(4,751,573)	-
<u>Transactions with shareholders:</u>				
Dividends paid	-	(2,321,259)	-	(2,321,259)
Cost of Share Purchase Plan	(3,673)	-	-	(3,673)
<b>Total transactions with shareholders</b>	<b>(3,673)</b>	<b>(2,321,259)</b>	<b>-</b>	<b>(2,324,932)</b>
<b>Balance as at 31 December 2019</b>	<b>105,581,703</b>	<b>90,916,369</b>	<b>(38,995,468)</b>	<b>157,502,604</b>

The Statement of changes in equity should be read in conjunction with the notes to the half-year financial statements.

# Statement of cash flows

For the half-year ended 31 December 2020

	December 2020 \$	December 2019 \$
<b>Cash from operating activities:</b>		
Interest received	7,058	134,303
Dividends received	1,568,631	2,271,285
Proceeds from sale of trading investments	23,974,014	44,266,200
Payments for trading investments	(23,065,194)	(22,066,482)
Payments to suppliers and employees	(1,602,531)	(4,901,723)
Finance costs	(60)	(137)
Other income received	7,500	-
<b>Net cash provided by operating activities</b>	<b>889,418</b>	<b>19,703,446</b>
<b>Cash flows from investing activities:</b>		
Proceeds from repayment of investments	1,500,000	-
<b>Net cash provided by investing activity</b>	<b>1,500,000</b>	<b>-</b>
<b>Cash flows from financing activities:</b>		
Drawdown from Prime Broker	-	416,365
Payment for Share Buy-Back costs	(453,414)	(3,673)
Dividends paid	(1,763,845)	(2,309,119)
<b>Net cash used in financing activities</b>	<b>(2,217,259)</b>	<b>(1,896,427)</b>
Net increase in cash held	172,159	17,807,019
Cash at the beginning of the year	6,561,555	3,774,665
<b>Cash at the end of the year</b>	<b>6,733,714</b>	<b>21,581,684</b>

The Statement of cash flows should be read in conjunction with the notes to the half-year financial statements.

# Notes to the financial statements

The half-year financial statements of Thorney Opportunities Ltd for the half-year ended 31 December 2020 were authorised for issue in accordance with a resolution of the Board of Directors on 24 February 2021.

## 1. Summary of accounting policies

### (a) Basis of preparation

The half-year financial statements are general purpose financial statements that have been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

The half-year financial statements do not include all of the information required for full-year statements. Accordingly, these financial statements should be read in conjunction with the financial statements for the year ended 30 June 2020 and any public announcements made by Thorney Opportunities Ltd during the half-year in accordance with the continuous disclosure requirements of the *Corporations Act 2001* and the *ASX Listing Rules*.

### Changes in Accounting Standards

The accounting policies adopted in the preparation of the financial statements for the half-year ended 31 December 2020 are consistent with those of the most recent annual financial report. The impact of adopting any new or amended standards and interpretations that apply in 2020, was not material.

## 2. Total investment income (loss)

The major components of investment income in the Statement of comprehensive income are:

	2020	2019
	\$	\$
Net realised gains of trading investments <sup>1</sup>	5,676,396	20,243,682
Gain/(loss) that had been unrealised in prior period for trading investments which were realised in the reporting period <sup>2</sup>	1,604,484	(18,619,738)
Unrealised gain/(loss) for change in fair value of trading investments	28,319,877	(6,415,471)
<b>Net changes in fair value of trading investments</b>	<b>35,600,757</b>	<b>(4,791,527)</b>
Interest income	7,058	134,303
Dividend income	1,473,291	2,280,628
Other income	7,500	-
<b>Total investment income/(loss)</b>	<b>37,088,606</b>	<b>(2,376,596)</b>

<sup>1</sup> Net realised gains of trading investments is the difference between the selling price and the cost of the investments sold during the reporting period.

<sup>2</sup> Gain/(loss) that had been unrealised in prior period for trading investments which were realised in the reporting period, represents the 30 June 2020 unrealised fair value adjustments of investments sold in the reporting period.

## Notes to the financial statements continued

### 3. Income tax

The income tax expense attributable to the half-year differs from the prima facie amount payable on the profit before tax expense. The difference is reconciled as follows:

	December 2020	December 2019
<b>Current tax</b>		
Current income tax expense	3,354,224	7,057,851
<b>Deferred tax</b>		
Origination and reversal of temporary differences	5,231,950	(7,823,890)
<b>Income tax expense/(benefit) recognised in the Statement of comprehensive income</b>	<b>8,586,174</b>	<b>(766,039)</b>
<b>Profit/(loss) before income tax (expense)/benefit</b>	<b>30,083,873</b>	<b>(3,956,165)</b>
Prima facie tax (expense)/benefit on gain/(loss) from ordinary activities before income tax at 30% (2019: 30%)	(9,025,162)	1,186,850
Deferred income tax benefit/(expense)		
- Imputation credits converted to losses	631,410	894,483
- Imputation credits on dividends received	(189,423)	(268,345)
- Adjustment for change in corporate tax rate	-	(1,046,949)
- Other adjustment	(2,999)	-
<b>Income tax (expense)/benefit recognised in the Statement of comprehensive income</b>	<b>(8,586,174)</b>	<b>766,039</b>

### 4. Deferred tax

	December 2020	June 2020
<b>Deferred tax</b>		
Financial assets	(14,434,589)	(7,550,212)
Business establishment costs	43,413	57,737
Other	1,680,232	16,479
Losses available for offsetting against future taxable income	7,431,326	10,782,552
<b>Net deferred tax (liability)/asset</b>	<b>(5,279,618)</b>	<b>3,306,556</b>

At 31 December 2020, the Company has estimated unused gross revenue tax losses of \$24,771,087 (June 2020: \$35,941,837) that are available to offset against future taxable revenue profits, subject to continuing to meet relevant statutory tests and have been recognised as a deferred tax asset.

At 31 December 2020, the Company has estimated unused gross capital tax losses of \$30,714,821 (June 2020: \$30,714,821) for which no deferred tax asset has been recognised.

## Notes to the financial statements continued

### 5. Fair value measurements

To reflect the source of valuation inputs used when determining the fair value of its financial assets and financial liabilities, the Company uses the fair value hierarchy prescribed in AASB 13 *Fair Value Measurement*:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities. The fair value of these investments is based on the last sale price for the security as quoted on the relevant exchange;
- Level 2: valuation techniques using market observable inputs, either directly or indirectly. The fair value of assets and liabilities with short-term maturities are valued at the amount at which the asset or liability could be exchanged in a current transaction between willing parties; and
- Level 3: valuation techniques using non-market observable data with the fair value for investments based on inputs determined by Directors' valuation.

The fair value measurement hierarchy of the Company's financial assets and financial liabilities is as follows:

	December 2020	June 2020
<b>Assets measured at fair value</b>		
Level 1: Listed equities	136,011,935	107,538,844
Level 3: Long-term financial assets <sup>1</sup>	10,802,000	6,375,000
<b>Total financial assets</b>	<b>146,813,935</b>	<b>113,913,844</b>
Total current	136,011,935	107,538,844
Total non-current	10,802,000	6,375,000
<b>Liabilities measured at fair value</b>		
Level 1: -	-	-
Level 2: -	-	-
Level 3: -	-	-
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>

<sup>1</sup> Long-term financial assets and convertible notes are valued using a discounted cash flow model or latest purchase price. This includes a long-term financial asset of a 25% ownership interest in 20 Cashews Pty Ltd (20C) which holds an underlying investment in the Australian Community Media Group (incorporated in Australia), shares in Prime Media Group Limited (ASX:PRT) and realestateview.com.au investment. The value of TOP's investment in 20C is represented by the relative fair values of ACM (71%), shares in Prime Media Group Limited (24%), and realestateview.com.au investment (5%) at 31 December 2020. For comparable information and further information on our valuation approach, we refer to the 30 June 2020 *Annual Report*.

## Notes to the financial statements continued

### 5. Fair value measurements (continued)

For assets and liabilities that are recognised at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Reconciliation of recurring fair value measurements categorised within Level 3 is as follows:

Financial assets:	Financial assets	Listed options	Total
Balance at 1 July 2020	6,375,000	-	6,375,000
Unrealised gain recognised in Statement of comprehensive income	5,927,000	-	5,927,000
Redemption of convertible notes <sup>1</sup>	(1,500,000)	-	(1,500,000)
Transfer from Level 1	-	-	-
<b>Balance at 31 December 2020</b>	<b>10,802,000</b>	<b>-</b>	<b>10,802,000</b>

<sup>1</sup> TOP received repayments of capital during the half-year period totalling \$1,500,000 for the redemption of convertible notes from 20C. We refer to the interim financial report of the previous financial year for the comparable information.

### 6. Cash and short term deposits

	December 2020 \$	June 2020 \$
Cash at bank	6,733,714	6,561,555
Short-term deposits	-	-
<b>Total cash and short term deposits</b>	<b>6,733,714</b>	<b>6,561,555</b>

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between 1 day and 90 days, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates. The carrying value of Cash and short-term deposits approximates fair value.

### 7. Payables and accruals

	December 2020 \$	June 2020 \$
Management fee accrual (payable)	1,180,984	952,493
Performance fee accrual	5,543,432	-
Dividend payable	836,322	455,525
Sundry creditors and accruals	183,363	399,605
<b>Total payables and accruals</b>	<b>7,744,101</b>	<b>1,807,623</b>

Dividend Payable represents the deferred payment of dividends to Thorney Holdings Pty Ltd, which is non-interest bearing and unsecured. Sundry creditors are generally paid in accordance with the terms negotiated with each individual creditor. The Management fee and Performance fee is paid within 60 days of receiving an invoice from the Investment Manager. The carrying value of Payables approximates Fair Value.



## Notes to the financial statements continued

### 8. Issued capital

	December 2020 Number of shares	June 2020 Number of shares	December 2020 \$	June 2020 \$
<b>(a) Ordinary shares</b>				
Balance at 1 July	200,071,679	203,619,230	103,369,689	105,585,376
Share Buy-Back	(940,763)	(3,547,551)	(453,414)	(2,212,014)
Cost of issue	-	-	-	(3,673)
<b>Total issued and authorised capital</b>	<b>199,130,916</b>	<b>200,071,679</b>	<b>102,916,275</b>	<b>103,369,689</b>

### 9. Related party transactions

The following table provides the total amount of transactions which have been entered into with related parties during the six months ended 31 December 2020 and 2019:

	Services from and transactions with related parties <sup>1</sup>	
	December 2020 \$	December 2019 \$
<i>Entities with significant influence over the Company:</i>		
Thorney Management Services Pty Ltd <sup>1</sup>	6,560,405	1,276,155
TIGA Trading Pty Ltd	26,000	26,000
<i>Related parties of key management personnel of the Company:</i>		
Arnold Bloch Leibler	27,811	31,048

All related party transaction amounts are shown exclusive of GST

<sup>1</sup> Under the Investment Management Agreement the Investment Manager, Thorney Management Services Pty Ltd, is entitled to a Base Fee based on total assets under management and a Performance Fee in respect of any annual Increase Amount. Based on the Increase Amount for the six months to 31 December 2020, a Performance Fee of \$5,543,432 has been accrued in the December 2020 Half-year financial statements (2019: \$nil). The accrual includes GST after deduction of the reduced input tax credit. Refer to note 7.

## Notes to the financial statements continued

### 10. Earnings per share

	December 2020	December 2019
Basic and diluted earnings (loss) per share (cents)	10.77	(1.57)
Gain/(loss) used in calculating basic and diluted earnings (loss) per share (\$)	21,497,699	(3,190,126)
	2020 Number of Shares	2019 Number of shares
Weighted average number of ordinary shares used in calculating basic and diluted earnings (loss) per share	199,590,942	203,619,230

### 11. Dividends

Dividends paid and payable by the Company during the half-year:

	December 2020	December 2019
<b>(a) Final Dividend FY 2020</b> A fully franked dividend of 1.27 cents per share for the year ended 30 June 2020 was paid on 30 September 2020	2,538,018	2,321,259
<b>(b) Interim Dividend FY 2021 not recognised at half-year end</b> Since the end of the half-year, the Directors have declared a 0.80 cents per share fully franked dividend which has not been recognised as a liability at the end of the half-year	1,593,047	1,471,414

### 12. Contingent liabilities

The Company has no contingent liabilities as at 31 December 2020 (2019: nil).

### 13. Subsequent events

On 3 February 2021 the Company announced its intention to re-commence an On-Market Share Buy-Back for the period 19 February 2021 to 18 February 2022, unless the maximum number of shares are bought back prior to this date or TOP decides to cease the buy-back.

## Directors' declaration

In accordance with a resolution of directors of Thorney Opportunities Ltd, I state that:

1. In the opinion of the Directors:

- (a) the financial statements and notes of Thorney Opportunities Ltd for the half-year ended 31 December 2020 are in accordance with the *Corporations Act 2001*, including:
  - (i) giving a true and fair view of the financial position as at 31 December 2020 and of its performance for the half-year ended on that date; and
  - (ii) complying with Accounting Standards and the *Corporations Regulations 2001*;
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

On behalf of the Board,



**Alex Waislitz**  
Chairman

Melbourne,  
24 February 2021



Building a better  
working world

Ernst & Young  
8 Exhibition Street  
Melbourne VIC 3000 Australia  
GPO Box 67 Melbourne VIC 3001

Tel: +61 3 9288 8000  
Fax: +61 3 8650 7777  
ey.com/au

## Independent Auditor's Review Report to the Members of Thorney Opportunities Ltd

### Report on the Half-Year Financial Report

#### Conclusion

We have reviewed the accompanying half-year financial report of Thorney Opportunities Ltd (the Company, which comprises the statement of financial position as at 31 December 2020, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the half-year financial report of the Company is not in accordance with the *Corporations Act 2001*, including:

- a) giving a true and fair view of the Company's financial position as at 31 December 2020 and of its financial performance for the half-year ended on that date; and
- b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

#### Directors' Responsibility for the Half-Year Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, anything has come to our attention that causes us to believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Company's financial position as at 31 December 2020 and its financial performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of the Company, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



## Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

The Ernst &amp; Young logo is written in a stylized, cursive script.

Ernst & Young

A handwritten signature in cursive script, reading 'Tony Morse'.

Tony Morse  
Partner  
Melbourne  
24 February 2021