

MONTHLY REPORT

11 January 2021

As at 31 December 2020

NET TANGIBLE ASSETS (NTA)

	AMOUNT
NTA per share before tax	20.25c
NTA per share after tax	19.51c
NTA before tax	\$3.897m
NTA after tax	\$3.755m

All figures are unaudited and approximate.

NTA PER SHARE PERFORMANCE

1 MTH	FINANCIAL YTD	SINCE INCEP P.A. ¹	SINCE INCEP CUM.
-1.8%	66.9%	11.0%	26.6%

Returns are before tax and net of all expenses.

¹ Compound Annual Growth Rate

CURRENT HOLDINGS

COMPANY	PORTFOLIO WEIGHT
Benjamin Hornigold Ltd (BHD)	21%
Amaysim Australia Ltd (AYS)	14%
Tesseract Ltd (TNT)	13%
AF Legal Group Ltd (AFL)	11%
Ovato Ltd (OVT)	8%
Matrix C&E Ltd (MCE)	6%
Thorn Group Ltd (TGA)	5%
Bowen Coking Coal Ltd (BCB)	3%
Other Securities	5%
Cash	14%
Total	100%

Weighting is approximate.

KEY NSX INFORMATION

NSX Code:	DWY
Inception Date:	5 October 2018
Market Capitalisation:	\$3,464,008
Share Price:	18c
Shares on Issue:	19,244,489

PORTFOLIO COMMENTARY

Dawney & Co's pre-tax NTA per share fell 1.8% in December.

AYS – As we mentioned in the November NTA report, we believed there was room for improvement on the sale to Optus. During the month, WAM Capital made a complementary recommended takeover offer with an implied value of \$0.833 per AYS share.

OVT – We bought 2m Ovato shares after the 12 November restructure and recapitalisation announcement where it outlined plans for a \$40m rights issue. Given OVT's market cap at the time, the offer would have to be highly dilutive and as such buying a small holding got us into the transaction for not much outlay. The terms were announced on 1 December for a 10.93 for 1 rights issue at 0.5c to raise approx. \$40m with \$35m being underwritten by the Hannan family and Are Media (the rebranded Bauer Media backed by Mercury Capital). We took up our rights and applied for \$100k of oversubscriptions (which we received in full) taking our holding to 43,860,000 shares at an average cost of \$0.0053 per share (including brokerage).

CUE – We allocated ~2.5% of our capital to Cue Energy during the month purely as a speculative bet on the Ironbark prospect (considered to be world scale) in JV with BP, Beach Energy and New Zealand Oil and Gas. Our view was we'd either make many times our investment or it would halve (which, because of our position sizing, wouldn't hurt us all that much). Unfortunately, it turned out to be the latter with no significant hydrocarbon shows and the well is to be plugged and abandoned.