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2026 Annual General Meeting Chairman's Address

Welcome to the 2026 Thorney Technologies Ltd Annual General Meeting. My name is Alex Waislitz and I am your chairman.

The 2026 financial year was marked by a dynamic investment landscape characterised by strong global equity markets, rapid technological advancement and ongoing economic and geopolitical uncertainty.

Global share markets generally continued their upward trajectory, with several major indices reaching record highs during the year. Investor enthusiasm was particularly evident in sectors exposed to artificial intelligence, where substantial capital investment and accelerating adoption drove significant valuation expansion. The sheer scale of AI-related spending by governments, enterprises and technology companies has become one of the defining investment themes of this cycle and has influenced capital allocation decisions in recent times. Having said that, since 30 June 2026, the AI sector as an investable asset class has been a frequent topic of discussion. The positive investor sentiment towards the sector has been challenged in recent months, with questions around the sustainability of the spend in AI, whether the earnings capability of these firms can justify the valuations, as well as the recent issues at Nvidia and, closer to home, the failure of Firmus to raise its needed growth capital from the public markets.

At the same time, investors continued to navigate an extremely challenging geopolitical environment. Trade tensions, tariff related developments, high fuel prices and ongoing regional conflicts contributed to periods of market volatility and uncertainty. These factors, combined with the evolving global economic outlook, reinforced the importance of maintaining diversified portfolios and a disciplined investment approach.

Inflation remained an important consideration throughout the year. While inflationary pressures moderated in a number of major economies, central banks were firmly in the cross-hairs in connection with their monetary policy settings. As we are all aware, the RBA increased interest rates three times in the twelve months to 30 June 2026 and it has increased rates a further two times since. Interest rates remain elevated relative to recent history, reflecting policymakers' commitment to restoring price stability while seeking to avoid unnecessary economic disruption. Such conditions continue to influence corporate financing decisions, investment activity and valuation frameworks across capital markets and are causing significant pain to mortgage-holders.

Against this backdrop, Thorney Technologies Ltd (TEK) remained focused on managing portfolio risks, preserving capital as well as identifying attractive opportunities within the technology and innovation ecosystem.

Despite these efforts, TEK's NTA declined over the twelve months to 30 June 2026. This performance is disappointing, one that we are neither satisfied with nor aspire to.

During the year, we continued our strategy of portfolio simplification, reducing the number of portfolio holdings into a smaller number of higher-conviction investments as well as liberating capital. We believe that a more focused portfolio allows for more effective capital allocation, deeper engagement with investee companies and improved long-term shareholder outcomes.

We remain very enthusiastic about the listed portfolio companies in the medical sector, notably:

- Vitrafy Life Sciences Ltd;
- Clarity Pharmaceuticals Ltd;
- Doctor Care Anywhere Ltd;
- Imricor Medical Systems, Inc.;
- Mesoblast Limited;
- Avita Medical Inc.;
- As well as turn-arounds outside of the medical sector including, Beonic Ltd and Mach 7.

We are disappointed by some regulatory failings by Credit Clear Limited and Raiz Invest Ltd but believe that both these underlying businesses are performing well.

Whilst we are also disappointed in some of the portfolio companies, these outcomes reflect the inherent risks associated with investing in technology and innovation-driven businesses. This is particularly so with smaller unlisted companies where raising capital has been especially difficult in the last few years and in which, for the most part, we have halted investing in.

Our investment process recognises that long-term value creation often involves periods of volatility, and we continue to review each investment rigorously to ensure capital remains allocated to opportunities with attractive risk-adjusted return prospects.

Despite the underlying value creation within parts of the portfolio, the Board remains cognisant of the persistent discount between TEK's share price and its Net Tangible Assets. During the year, this discount not only persisted but, at times, widened further. We acknowledge the frustration this creates for shareholders and addressing this discount remains a key Board priority.

Highlighting this irrationality, as at the end of October, TEK had total listed investments of approximately $36.0 million, total unlisted investments of approximately $26.0 million plus cash and deployable capital of around $6.0 million leading to net assets of $68.0 million or 19.3 cents per share. TEK also has carry-forward tax losses in excess of $100 million which are not reflected in the net asset figure just mentioned.
The net asset figure compares to a market capitalisation of approximately $32.0 million at the same date. This value gap of about $36.0 million is what we are looking to close and this is the value accretion opportunity.

Capital management initiatives continue to play an important role in this regard with TEK continuing with its on-market share buyback program.

We believe the acquisition of shares at significant discounts to NTA represents an attractive deployment of capital and delivers an accretive benefit to continuing shareholders.

Looking ahead, we remain optimistic regarding the opportunities available to patient and disciplined investors. Continued technological innovation, particularly in artificial intelligence and digital infrastructure, is creating significant opportunities for businesses capable of delivering genuine competitive advantages and sustainable earnings growth.

TEK entered the new financial year with a simplified portfolio, albeit with further work to do, substantial investment experience and the financial flexibility to take advantage of opportunities as they arise.

We remain of the view that there are a number of companies in the portfolio showing great potential to realise value over the next few years such as MOSH and Elenium in Australia and WSC Sports, Splitit and Visioneering overseas.

While short term market outcomes are inherently difficult to predict, our focus remains unchanged: identifying undervalued opportunities and innovative growth technology companies, allocating capital thoughtfully and creating long-term value for shareholders.

As a final comment, I reiterate that I am not happy with the performance of TEK and therefore its performance for all shareholders. This is something that I am personally focused on and want to improve. The Board is also challenging me and the investment team. However, I am a long-term investor, I don't believe in giving up, I don't believe in selling out when values are bottoming. I am committed and intend to report further to shareholders in due course.

We have received a number of ideas from shareholders and advisers and, together with the Board, we will consider all strategies to improve value for shareholders.

On behalf of the Board, I thank our shareholders for their ongoing support and confidence. We remain committed to acting in your best interests and delivering attractive long-term outcomes.

Thank you

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About Thorney Technologies Ltd

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/