

16 February 2023

ASX ANNOUNCEMENT

Touch Ventures Limited Full Year 2022 Results

Touch Ventures Limited ("Touch Ventures", ASX:TVL), announces its audited financial results for the year ending 31 December 2022 ("FY22").

Key highlights

- Net Tangible Asset (NTA) / NTA per share: \$124.5m / \$0.18
- Market cap / Share price at 31 December 2022 \$66.8m / \$0.09
- Premium / (Discount) to NTA (50%)
- Net gains / (loss) on investments (excluding foreign exchange movements): (\$66.5m)
- Profit / (Loss) for the year: (\$65.2m)
- Cash¹: \$53.7m
- Capital deployed: 7 investments (\$19.7m)
 - Core strategy: 4 follow-ons, 1 loan (\$16.9m)
 - Early-stage strategy: 2 new investments (\$2.5m)

The market conditions changed considerably during 2022, and particularly so for technology and venture backed companies. As we finished the year, valuations for the public companies in the sector have significantly adjusted and these adjustments have been filtering through to the private markets.

In this context, Touch Ventures revalued its investments in Sendle, Happay, Postpay, Till Payments and companies under our early-stage mandate resulting in a net loss on investments of \$66.5m (excluding foreign exchange movements) for 2022. The loss was offset by an increase in the value of its investment in Refundid. Touch Ventures has taken a conservative view to valuations based on the current economic climate and will continue to assess the value of its investments at the end of each reporting period.

Given the uncertain market conditions, significant economic headwinds from increasing interest rates, a high inflation and potentially recessionary environment, we have been conservative in deploying capital in 2022, having made only two new investments under our early-stage strategy.

¹ As at 31 December 2022. Cash includes \$20.0 million of Term Deposits with maturity dates no longer than 12 months.

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In addition, we deployed \$16.9m into our core portfolio assets to support these companies in what has become a difficult capital raising environment.

Hein Vogel, CEO of Touch Ventures, said: *“While it is difficult to predict what 2023 will bring, we know that many companies will have to raise funding in this new environment, and we expect to see good deal opportunities.*

Our focus in 2023 will be to look for new opportunities to expand our portfolio while also working with our existing companies to create liquidity and/or to enhance their prospects. We are well positioned with cash of \$53.7m and will take a more flexible but disciplined approach as we look to create value for our shareholders.”

The share buyback may recommence following the release of the results.

This announcement has been authorised for release to the ASX by the Touch Ventures Board of Directors.

About Touch Ventures

Touch Ventures Limited (**Touch Ventures**) is an investment holding company focused on high growth, scalable investment opportunities in Australia and internationally, including to companies who may benefit from exposure to Afterpay’s ecosystem.

Touch Ventures is an internally managed vehicle and has broad flexibility as to how it deploys capital. Touch Ventures’ investment strategy is to deploy capital towards high growth, scalable investment opportunities, in particular, investment opportunities within the retail innovation, consumer, finance and data segments in Australia and internationally.

Through its subsidiary Touchcorp Limited, Afterpay Limited (**Afterpay**) is the largest shareholder in Touch Ventures and also party to a collaboration agreement with Touch Ventures whereby Afterpay may refer potential opportunities to Touch Ventures for evaluation.

Touch Ventures listed on the ASX on 29 September 2021.

Contact details








For further information, please visit our investor website <https://investors.touchventures.com> or contact Investor Relations at investors@touchventures.com

Important Notice

Touch Ventures Limited ACN 612 559 958 (ASX: TVL) has prepared the information in this announcement. This announcement has been prepared for the purposes of providing general information only. It does not constitute an offer, invitation, solicitation or recommendation regarding the purchase or sale of any securities in TVL, nor does it constitute financial product or investment advice, nor take into account your investment, objectives, taxation situation, or financial situation or needs. Any investor must not act based on any matter contained in this announcement in making an investment decision but must make its own assessment of TVL and conduct its own investigations and analysis. Past performance is not a reliable indicator of future performance.

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Portfolio Summary (as at 31 December 2022)

Company	Initial Investment	Business Description	Holding ²	Investment Amount	FY21 Fair Value	FY22 Fair Value
 sendle	June 2021	Sendle is an Australian & U.S. based virtual parcel courier platform targeting SMB eCommerce merchants.	12.1%	US\$27.4m / A\$36.0m	US\$25.0m / \$34.4m	US\$10.2m / \$15.0m
 PlanPay	February 2020	Planpay is a budgeting and payments tool which empowers customers to achieve more by breaking down large purchases into small, easily payable chunks and eliminates the burden of budgeting.	Equity: 88.9%	\$17.2m	\$9.1m	\$12.0m
			Loan: N/A	\$2.1m	-	\$2.1m
 postpay	July 2021	Postpay is a UAE based BNPL business offering 'Pay in 3' instalment plans to online shoppers with no upfront interest or fees.	13.3%	US\$10.0m / \$13.6m	US\$5.0m / \$6.9m	US\$7.2m / \$10.7m
 BASIQ	January 2021	Basiq operates a financial data platform which allows financial institutions and fintechs to access, enrich and analyse their customers' financial data.	N/A, subject to conversion	\$10.0m	\$10.0m	\$10.1m
 Till.	November 2021	Till Payments is an omni-channel, end-to-end Australian non-bank payments provider.	N/A, subject to conversion	\$5.0m	\$5.0m	\$1.2m
 preezie	November 2021	Preezie is an Australian eCommerce technology company which provides an online guided selling customer engagement platform.	17.6%	\$4.5m	\$4.5m	\$4.5m
 refundid	September 2021	Refundid is an instant returns platform for shoppers providing refunds to consumers before their items are returned to the merchants.	11.4%	\$2.4m	\$1.2m	\$5.9m
Early-Stage Portfolio ³	Various	Early-stage investments limited to 5% of the Touch Ventures portfolio.	Various	\$18.6m	\$36.4m	\$4.0m
Strategic Investments	Various	Investments that strengthens Touch Ventures local and global network.	Various	\$4.1m	\$4.5m	\$5.1m
Total Portfolio Value				\$113.4m	\$112.0m	\$70.7m
Cash and other ⁴					\$77.7m	\$53.8m
Total Net Asset Value⁵					\$189.7m	\$124.5m

-- ENDS --

2. Only includes share securities issued. Excludes any ESOP (allocated or unallocated), convertible notes or options / warrants.

3. Includes the investment in Happay, previously a core investment.

4. Cash and other includes cash of \$53.7m, and other assets and liabilities of \$0.1m for FY22.

5. Totals may not reconcile due to rounding.