

# Appendix 4E

**Ansarada Group Limited**  
For the year ended 30 June 2021

## Results for announcement to the market

Ansarada Group Limited (Ansarada) and its controlled entities (the Ansarada Group or Group) results for announcement to the market are detailed below.

Results for announcement to the market	30 June 2021 \$'000	30 June 2020 \$'000	Up/(down)	Movement %
Net profit/(loss) after tax from operations	642	(26,025)	26,667	102%
Total net profit/(loss) after tax attributable to members of the Group	642	(26,025)	26,667	102%
<b>Revenue from operations</b>	33,119	32,859	260	1%
Earnings per share (cents)	1.06	(115.91)	116.97	101%

### Entities over which control, joint control or significant influence was gained or lost during the period

On the 4 December 2020, Ansarada Group Limited (ASX: AND) (formerly thedocyard Limited (ASX: TDY) completed the acquisition of 100% of the share capital of Ansarada NewCo Pty Ltd.

The transaction is accounted for as a reverse acquisition of Ansarada Group Limited (formerly thedocyard Limited) and its controlled entities by Ansarada NewCo Pty Limited. On 6 July 2020, thedocyard Limited acquired 100% of the share capital of Lockbox Technologies Pty Ltd.

### Other Information

No dividends have been declared for the financial period ended 30 June 2021.

Net Tangible Assets	30 June 2021	30 June 2020
<b>Net Tangible assets per security (cents)</b>	0.17	(7.99)

### Explanation of results

Please refer to the Review of Operations for an explanation of the results.

This Appendix 4E should be read in conjunction with the Consolidated Annual Financial Report of Ansarada NewCo Pty Limited for the year ended 30 June 2020. Refer to ASX announcement on the 8 December 2020. This report should also be read in conjunction with any public announcements made by Ansarada in accordance with the continuous disclosure requirements arising under the Corporations Act 2001 and ASX listing rules.

This Appendix 4E report is based on the Consolidated Financial Statements for the period ended 30 June 2021 that have been audited by KPMG.

The information provided in this report contains all the information required by ASX Listing Rule 4.3A.

Stability.  
Momentum.  
Growth.

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Ansarada is a cloud based operating system that redefines excellence in information governance from managing deals, corporate transactions, risk and compliance to tenders and board management.

Over 24,000 critical business transactions have been executed through our data rooms over the last 15 years. We are trusted by the world's leading institutions and government organisations, and over 80% of top 100 global banks use our platform.

**Stability.**  
**Momentum.**  
**Growth.**



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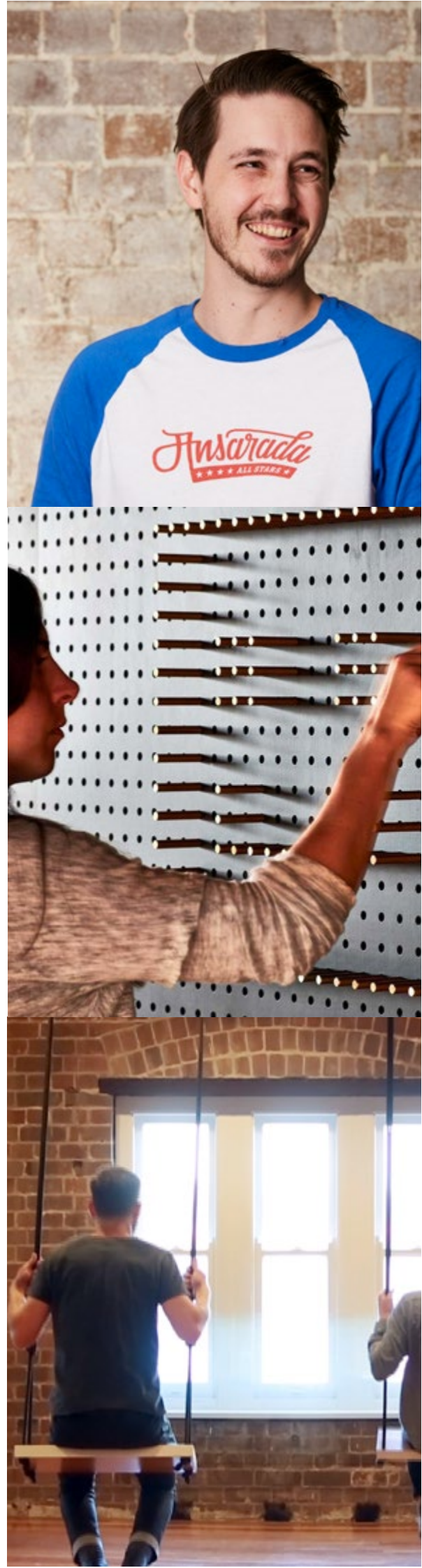


# Our people are what make Ansarada great.

Over the past year, they have shown true grit and determination for us to continue growing. Through a global pandemic and a successful merger, our people have led through a belief in Ansarada's vision and demonstrated that our values are at the core of who we are.

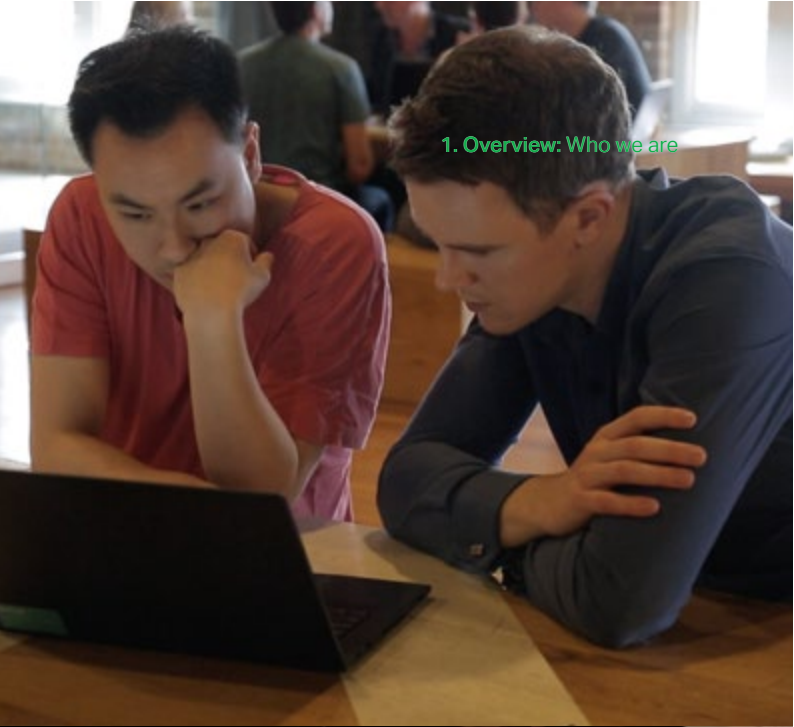
As a team, we have embraced wonder, we have accepted conflict as a force for change, and we have seen the spark in the smallest ember of an idea. We have never lost sight of the vision. Our four values – **care, change, curiosity and courage** – guide and shape all our decisions. That's why we will continue to grow.

Now you can.





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## Highlights

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**Record customer numbers**

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**Debt free**

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**Integration of TDY from  
December 2020 acquisition**

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**Rebranded Athena brand  
and now available under  
Ansarada login**

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**Launch Workflow feature**

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↑ 4% YoY



↑ 16% 2HFY21 vs 1HFY21



↑ 149% YoY



↑ 28% YoY



↑ 155% YoY



↑ 64% YoY



↑ 1% YoY



↑ 75% YoY





# Chairman's Report

**I am pleased to present Ansarada's 2021 Financial Year Annual Report. The Company has performed extremely well in FY21 delivering record results in a challenging macro environment.**

We are a different company now to the one we were a year ago. One of the most significant milestones we achieved this year was the combination with thedocyard and successful capital raising to fund the transaction. On 24th November shareholders approved the renaming of thedocyard to Ansarada Group Ltd. On 4 December we completed the acquisition and raised \$45 million and on 9 December trading recommenced on ASX under the new code AND. The combination of the two businesses has extended the suite of solutions that we can offer to clients and expands our addressable market opportunities.

I am extremely pleased with the way in which the two businesses have come together, quickly and seamlessly under the leadership of Sam Riley as CEO and Stuart Clout as Chief Revenue Officer.

Today, the Ansarada Group is a global provider of cloud-based SaaS information governance solutions, enabling clients to achieve critical outcomes with confidence through secure document management, workflow and collaboration tools. We are trusted to deliver high quality solutions and services by leading global corporates, governments, investment banks, financial institutions, private equity firms and legal and accounting advisors. Our best of breed software has enabled clients to execute over 24,000 critical business transactions.

Our highly respected market-leading solutions are scalable and serverless and leverage artificial intelligence and machine learning. The extensive data and experience from serving customers throughout these transactions has been leveraged to design AI and machine learning tools that drive efficiency through automation and simplicity, valuable insights, workflow collaboration, confidence and security.

Ansarada today is a global business generating a significant portion of its revenue outside of Australia. We have over 3,400 active customers across a diverse range of industries and over 460,000 unique users across 153 countries. As at 30 June 2021, the Group currently employs over 130 people across its offices located in Sydney, Chicago, London, Amsterdam, Johannesburg and Vietnam.

We have many reasons to have a confident and positive outlook in FY22. Our business is robust and well positioned to increase market share in very large and growing markets. The rising trends of digital transformation, compliance and governance support our growth. With continuing new product enhancements and innovation, we can provide even more value to clients domestically and offshore. Encouragingly, we have continued the strong momentum of Q4 FY21 into the new financial year.

While macro uncertainty is likely to prevail for some time, we remain focused on executing on our own strategy to support clients around the world that rely on our critical financial market technology infrastructure for information governance.

**"We are a different company now to the one we were a year ago. One of the most significant milestones we achieved this year was the combination with thedocyard and successful capital raising to fund the transaction."**



I would like to thank our passionate and inspirational CEO Sam Riley for his leadership in ensuring Ansarada cares for its people, retains the trust of its clients and is well positioned for long-term growth and high returns. I would also like to thank the wonderful team at Ansarada for their dedication and commitment during unprecedented times across the world and my fellow Directors for their invaluable support and counsel. Thank you also to our loyal shareholders for endorsing our growth strategy.

I look forward to reporting on another year of progress and success in FY22.

**Peter James,**  
**Chairman Ansarada**



# CEO's Report

**I'm delighted to say Ansarada's performance improved each and every quarter last year, ending with record levels of growth in customers and subscribers.**

This translated into revenue of \$33.4 million and adjusted EBITDA of \$5.9 million. These results represent focused execution of our strategy through responsible investment of funds into increased marketing, product innovation, new channel development and operational improvements delivering a sustainable growth model.

Seeing the fruition of this work and a return to profitable growth represents a profound milestone for our company, and something the Ansarada team and our shareholders can be proud of. We intentionally made investments over the last few years to create and position our products into fast growing multi-trillion dollar market segments where we can be a leader and confidently deliver long-term value creation.

We have returned to a profitable business, increasing our customer base every year since start-up and maintaining significant R&D investment into our platform to expand the value we can bring to people through innovation and improved scalability. A few years ago we made large intentional

investments to position Ansarada as a global leader in critical information governance use cases that combined address a \$100 billion market opportunity. These include:

- Capital markets with our deals product which is trusted by thousands of the world's top companies and dealmakers. Our track record is proven through facilitating trillions of dollars in capital raising, M&A and insolvency transactions globally.
- Infrastructure renewal and new project delivery is forecast to require a \$4 trillion spend through to 2040. Our tenders product has underpinned hundreds of the world's most transformational complex infrastructure projects across roads, rail, ports, hospitals and renewable energy.
- Corporate governance with our board management product and the addition of our no code workflow module to more rapidly capture the demand for risk and compliance solutions across our +3,400 client base.

These products are on one platform and are designed to power the future of work and meet the need for digital transformation, which is at an all-time high and cannot be met with incumbent tech platforms, legacy systems, or methods like email and spreadsheets.

In our view, the pandemic has reinforced our value proposition as organisations deal with the increasing complexity of hybrid work and dynamic business environments that demand greater security, speed and efficiency. The Ansarada platform is well positioned to capture this digital transformation tailwind, which is boosted further by the tailwinds of record levels of capital markets activity and trillions of dollars pouring into public infrastructure. The GRC market is positioned for significant growth as companies seek ways to automate and manage the complexities of expanding governance, risk and compliance mandates.

As we signalled at our half year result, Ansarada's organic growth would be funded from our own free cash flows – the next stage of our journey will be one in which we maintain these operational disciplines and continue to look for investments that will help accelerate and realise the long-term opportunities that we are well positioned to secure.



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**"In our view, the pandemic has reinforced our value proposition as organisations deal with the increasing complexity of hybrid work and dynamic business environments that demand greater security, speed and efficiency."**



Ansarada was born in the cloud and for over a decade we've established trust and credibility with governments, corporate advisors and companies. We now stand on the foundations of a robust, highly defensible business with a proven track record for delivering increased efficiency and reducing operational risks for our customers.

Our focus on people, culture and product innovation, and our unique relationship with

customers' has created an exciting and passionate culture where momentum is driving our expansion around the world. We were very proud to be recognised as 'A Great Place to Work' winner for the 11th year.

Our purpose is to help people realise their potential and we are better equipped, more focused and determined to do that. We stand ready to serve the millions that need solutions to their pressing business problems that hold them back and create

complexity, fear, uncertainty and stress. We will help more organisations and their people than ever in FY22 and, in turn, deliver results that our team and shareholders can be very proud of.

**Sam Riley,**  
**Chief Executive Officer**



# Operating and Financial Review

## Principal activities

**Ansarada is a global provider of cloud-based AI-powered virtual data rooms and material information platforms for secure end-to-end document and process management, supporting material transaction and governance outcomes for businesses throughout their lifecycle.**

Ansarada's innovative and purpose-driven virtual data rooms enable the hosting, exchange and management of confidential material information between parties during critical events such as M&A (mergers and acquisitions), fundraising, tenders and IPOs via a business to business ("B2B") software ("SaaS") based platform.

## Review of operations

### Overview of the Group

The Ansarada Group is a global provider of cloud-based SaaS information governance solutions, enabling businesses to achieve critical outcomes with confidence through secure document management, workflow and collaboration tools.

Ansarada's market-leading solutions are scalable and serverless and leverage artificial intelligence and machine learning. Its solutions have supported more than 24,000 critical events for a diverse and global active customer base of more than 3,400 customers at 30 June, 2021 comprising large corporates, small businesses, advisors (including investment banks, legal and accounting firms), State Governments, Local Councils and financial sponsors (including asset managers, private equity firms and venture capital firms). Currently, 46% of the Group's \$33.4 million FY21 revenue is generated outside of Australia.

### Ansarada Group Limited and Ansarada NewCo Pty Limited

On 24 November 2020, the Company Shareholders approved the renaming of thedocyard to Ansarada Group Limited. On 4 December 2020, Ansarada Group Limited (formerly thedocyard Limited (ASX: TDY) completed the acquisition of 100% of the share capital in Ansarada NewCo Pty Limited.

The acquisition was subject to the completion of a Capital Raising of \$45.0 million through the issue of approximately 30.4 million shares and completion of a 10 to 1 share consolidation.

Ansarada Group Limited recommenced trading on the ASX on Wednesday 9 December at 10.00am under the ASX code AND. In accordance with accounting standards, this acquisition has been accounted for as a reverse acquisition with Ansarada NewCo Pty Limited being deemed the acquirer for accounting purposes.

- i. Ansarada Group Limited (formerly thedocyard Limited) is the legal parent entity to the Group; and
- ii. Ansarada NewCo Pty Limited, which is neither the legal parent nor legal acquirer, is deemed to be the accounting acquirer.

Following completion of the acquisition of thedocyard in December 2020, Ansarada Group is a global provider of cloud-based SaaS information governance solutions. Ansarada's product is a cloud-based, artificial intelligence ("AI") powered SaaS platform for end-to-end management of material outcomes for businesses throughout their lifecycle. It provides a single interactive system for managing business events and milestones such as raising capital, M&A, post-acquisition integration, audits, asset portfolio management, tenders, governance, risk, board and compliance.

Ansarada enables businesses to monitor information sharing, align and scorecard individuals and information against outcomes, whilst tracking workflow (via dashboards, notifications, and collaboration tools). The platform enables customers to assess how prepared their business is for an upcoming event, sets out a clear pathway to adhere to in order to optimise the outcome and execute with confidence. It provides tools for good information governance, which increases productivity, enables efficiencies and better decision making, while also ensuring compliance and reducing risks across the business lifecycle.

Ansarada has assisted leading global corporates, investment banks, financial institutions, private equity firms and legal and accounting advisors execute over 24,000 critical business transactions. The extensive data and experience from serving customers throughout these transactions has been leveraged to design AI and machine learning tools that drive efficiency through automation and simplicity, valuable insights, workflow collaboration, confidence and security. Ansarada is a truly global business generating a significant portion of its revenue outside of Australia. Ansarada currently has over 3,400 active customers<sup>1</sup> across a diverse range of industries and over 460,000 unique users<sup>2</sup> across 153 countries. As at 30 June 2021, the Group currently employs over 130 people across its offices located in Sydney, Chicago, London, Amsterdam, Johannesburg and Vietnam.

## Launched Ansarada Deals May 2021

**The new Ansarada Deals launched in May 2021, bringing together thedocyard's workflow capabilities and Ansarada's AI-powered Data Rooms into a centralized deals space.**

Ansarada Deals is now a total transaction management solution, allowing companies and advisors to digitize and streamline their workflows across the full deal lifecycle – from deal strategy, marketing and preparation through to due diligence, negotiation, closing and post-deal integration.

<sup>1</sup> Active customers includes any subscription/contract with an active contract. Customers may have more than one deal platform, board portal or governance solution open at any given time.

<sup>2</sup> As at 30 June 2021, refers to unique data room user profiles (unique profiles excludes those deleted or disabled).





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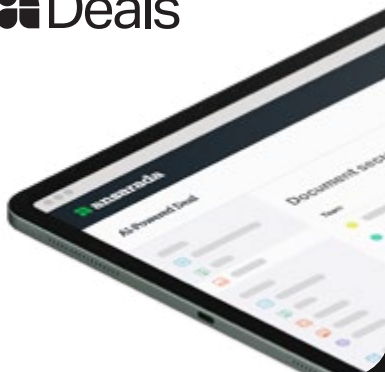
## Our portfolio of SaaS governance solutions

Ansarada's efficient and straightforward end-to-end SaaS offering allows customers to showcase key attributes of their business and manage the corporate development pipeline, as well as creating additional capacity by accelerating the transaction preparation process, streamlining execution, connecting with clients and nurturing prospects earlier.

Customers use Ansarada's advanced virtual data rooms to connect, share information, collaborate, communicate, and facilitate the due diligence process while monitoring activity.

The platform significantly assists customers in minimizing risks and delivering value more efficiently, through its ability to generate insights, accelerate successful outcomes and provide an accurate, real-time view of a transaction's progress.

 Deals



 Board



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Key characteristics of Ansarada's products include:

**Simplicity:**  
Intuitive, fast, mobile compatible and user-friendly

**Security:**  
Access and document usage control, full visibility

**Automation:**  
AI tools automate processes, deliver insights and intelligence

**Confidence:**  
Comprehensive range of reports, activity monitoring

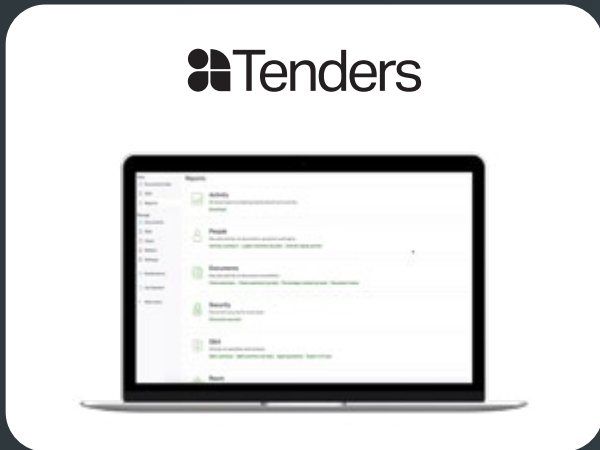
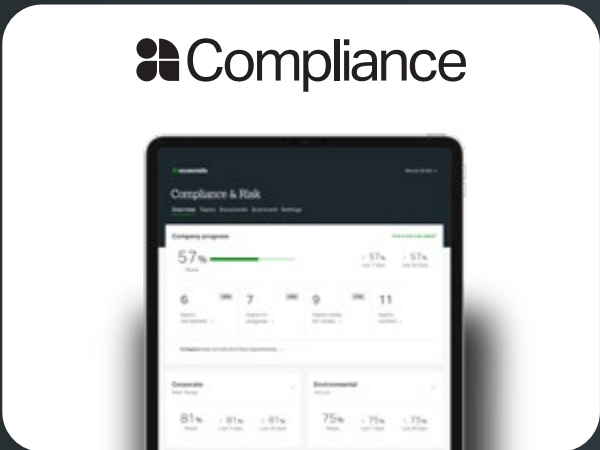
**Flexibility:**  
Unlimited data and flexible plans to suit requirement and budget

**Connection:**  
Sync with leading cloud tools (e.g. Box, Google Drive, Dropbox, One Drive)

**Collaboration:**  
Workflow management and communication tools, Q&A speed and visibility

Ansarada delivers its offering without any software plug-ins or downloads, which provides a seamless experience for businesses and advisors.

Product development and continuous improvement at Ansarada is a fundamental pillar in everything it does, which is driven by continuing to be agile, flexible, listening to customers and adopting an iterative approach.



## Operating Results

	30 June 2021 \$'000	30 June 2020 \$'000	Change YOY %
Revenue	33,119	32,859	1%
Other income	306	322	-5%
<b>Total revenue and other income</b>	<b>33,425</b>	<b>33,181</b>	<b>1%</b>
Cost of revenue	(1,173)	(2,635)	-55%
<b>Gross profit</b>	<b>32,252</b>	<b>30,546</b>	<b>6%</b>
Gross margin percentage	96%	92%	4%
Product design and development <sup>1</sup>	(9,149)	(7,567)	21%
Sales and Marketing <sup>2</sup>	(11,552)	(11,294)	2%
General and Administration <sup>2</sup>	(8,550)	(8,978)	-5%
<b>Total operating expenses before depreciation and amortisation, and impairment</b>	<b>(29,251)</b>	<b>(27,839)</b>	<b>5%</b>
Percentage of operating revenue	88%	84%	4%
<b>Total operating profit before depreciation and amortisation, and impairment</b>	<b>3,001</b>	<b>2,707</b>	<b>11%</b>
Impairment	(34)	(2,859)	-99%
Depreciation and amortisation <sup>3</sup>	(10,276)	(8,994)	14%
<b>Total operating expenses</b>	<b>(39,561)</b>	<b>(39,692)</b>	<b>0%</b>
<b>Total operating loss</b>	<b>(7,309)</b>	<b>(9,146)</b>	<b>-20%</b>
Finance income	9	18	-50%
Finance expense	(989)	(1,041)	-5%
Fair value adjustment - Convertible Notes and Warrants	9,072	(15,505)	-159%
<b>Net finance Income/(expense)</b>	<b>8,092</b>	<b>(16,528)</b>	<b>-149%</b>
<b>Profit/(Loss) before income tax</b>	<b>783</b>	<b>(25,674)</b>	<b>-103%</b>
Income tax benefit/(expense)	(141)	(351)	-60%
<b>Profit/(Loss) for the year</b>	<b>642</b>	<b>(26,025)</b>	<b>-102%</b>
	<b>30 June 2021 \$'000</b>	<b>30 June 2020 \$'000</b>	<b>Change YOY %</b>
<b>Key management non-GAAP financial measures</b>			
Adjusted EBITDA <sup>4</sup>	5,879	3,587	64%
Adjusted cash flow from operations <sup>5</sup>	9,090	5,633	61%
Adjusted free cash flow <sup>6</sup>	1,997	(3,648)	155%
<b>Adjusted EBITDA</b>	<b>Cents</b>	<b>Cents</b>	<b>Change YoY%</b>
<b>Earnings per share (EPS) attributable to owners of Ansarada Group Limited</b>			
Basic earnings per share (cents)	1.06	(115.91)	-101%
Diluted earnings per share (cents)	1.06	(115.91)	-101%

1 Excludes depreciation and amortisation which is included as its own line item in management's adjusted version of results.

2 Excludes depreciation which is included as its own line item in management's adjusted versions of results.

3 Excludes amortisation on contract acquisition assets which is included in Cost of revenue.

4 Adjusted EBITDA represents earnings before interest, tax, depreciation and amortisation ('EBITDA'), excluding non-cash share-based expense, non-cash impairments, capital raising, business combination fees, redundancies expenses and other abnormal one-time costs.

5 Adjusted cash flow from Operations is adjusted for one-time costs including business combination costs and restructure payments.

6 Free cash flow is a financial measure that has been included to show readers net cash generated by, and invested into, the business less one-time costs including business combination costs and restructure payments.



**During FY21, Ansarada continued to execute its growth strategy delivering operating revenue growth while remaining focused on operational discipline.**

This was reflected in Ansarada's full year net profit after tax of \$0.6 million, an improvement of \$26.7 million compared to the \$26.0 million loss in FY20.

The net profit result was generated by ongoing growth in operating revenue, specifically in relation to 2HFY21 v 1HFY21 with revenue and customers increasing by 16% and 14% respectively for the period. Also, this was coupled with improved gross margin performance and disciplined management of operating expenses. FY21 results also recognised a positive fair value adjustment of \$9.0 million after the repayment of \$25.0 million to convertible noteholders and conversion of noteholders to ordinary shares, refer to note 22 in the Annual Report. FY20 results were impacted by a fair value adjustment of \$15.5 million in relation to convertible notes and warrants.

Revenue for the full year was impacted by COVID-19 specifically during 1HFY21, which reduced the volume of transactions and the number of new customers. As mentioned above, Ansarada achieved record results in 2HFY21 with 16% increase in recognised revenue compared to 1HFY21. Operating revenue growth was supported by customer growth of 28% compared to FY20.

Total operating expenses excluding depreciation and amortisation and impairment increased by \$1.4 million. This was attributable to the recognition of non-cash share-based expense of \$2.0 million compared to \$0.6 million in FY20. The main driver for the increase in non-cash share based expense was the add-back of the cancellation of Ansarada's legacy employee share option plan which resulted in the acceleration of vesting and recognition of a non-cash impact of \$1.4 million to the consolidated statement of income and other comprehensive income. Also, additional one-off costs such as restructure and ex-gratia of \$1.2 million are included in total operating expenses. Total operating profit excluding depreciation and amortisation and impairment is \$3.0 million in FY21 compared to \$2.7 million in FY20.

Depreciation and amortisation of \$10.3 million (which is included in operating expenses and excluding contract acquisition assets which is included in cost of revenue) increased by \$1.3 million, or 15%, compared to FY20. This was due to prior year capitalisation of \$9.2 million being amortised for 12 months in FY21 compared to partial amortisation in FY20 due to timing of projects and additional amortisation associated with software platform acquired on the business combination. Also, there was an increase to depreciation due to the renewal of the Sydney office lease agreement until 2027.

## ADARA

### Charity we support

**1% of Ansarada Newco equity was granted prior to acquisition.**

Adara is focused on improving health and education for women, children and communities living in poverty. Over two decades they have built expertise in maternal, newborn and child health; and remote community development. Adara reach tens of thousands of people living in poverty each year.



## Revenue

Subscription revenue comprises recurring annual and monthly fees from customers who subscribe to Ansarada's cloud-based SaaS platform.

These fees can either be invoiced upfront, over the subscription period or on a monthly basis, accounting for deferred revenues.

Transactional revenue fees represent the amount billed to the customers based on the specific level

of virtual data room usage (e.g. amount of data uploaded or pages occupied). Consideration from usage fees is recognised as revenue on a straight-line basis in the Statement of Profit or Loss and Other Comprehensive Income over the estimated life of a deal room.

Other income consists of archive fee income and other miscellaneous items.

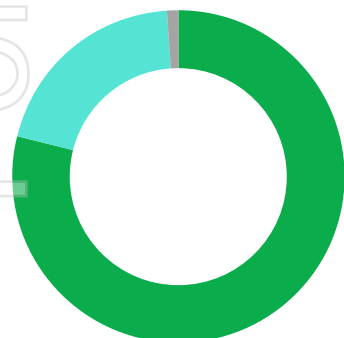
Year ended	30 June 2021 \$'000	30 June 2020 \$'000	% Change
Platform Subscription revenue	26,585	24,565	8%
Transactional revenue	6,534	8,294	-21%
Other income	306	322	-5%
<b>Total revenue and other income</b>	<b>33,425</b>	<b>33,181</b>	<b>1%</b>
Pro forma subscription revenue <sup>1</sup>	358	307	17%
<b>Total pro forma revenue and other income</b>	<b>33,783</b>	<b>33,488</b>	<b>1%</b>
<b>Platform Subscription revenue as a % of total pro forma revenue</b>	<b>80%</b>	<b>74%</b>	<b>6%</b>
<b>Transaction and other revenue as a % of total pro forma revenue</b>	<b>20%</b>	<b>26%</b>	<b>-6%</b>

As at:	30 June 2021 \$'000	30 June 2020 \$'000	% Change
Deferred revenue <sup>2</sup>	13,942	7,966	75%

### Revenue by category FY21

- Subscription Revenue **79%**
- Transactional Revenue **20%**
- Other Income **1%**



### Revenue by category FY20

- Subscription Revenue **74%**
- Transactional Revenue **25%**
- Other Income **1%**



1 Pro forma subscription revenue includes five months of recognised revenue for FY21 and six months of recognised revenue for FY20 of Ansarada Group Limited (formerly the docyard Limited). As the acquisition was completed on the 4th December 2020, revenue from the docyard is not included in the Consolidated Statement of Profit and Loss and Other Comprehensive Income.

2 Deferred revenue consists of Platform Subscriptions, Transactional Usage and Base Fees which are expected to be recognised on a straight-line basis over the remaining life of the contract.

Total recognised revenue for the year ended 30 June 2021 was \$33.4 million, compared to \$33.2 million for the year to 30 June 2020. These results were impacted by the global economic uncertainties of COVID-19 in 1HFY21. However, Ansarada achieved record results in 2HFY21 with a 16% increase in recognised revenue compared to 1HFY21. Revenue growth was supported by customer growth of 28% compared to FY20. This reflects strong recovery in the Debt, Capital and Mergers and Acquisitions markets and continued customer expansion across products and geographies. Ansarada continues to monitor the global economic impact of COVID-19 across the geographical segments and its customer base. However, the Group has seen a significant increase in volume of business transactions in 2HFY21 which is demonstrated in customer growth and revenue performance.

Ansarada launched its e-commerce channel in February 2020, allowing it to further scale a self-service offering and expand its digital contract

acquisition capability to win larger volumes of business more efficiently than via a direct sales channel alone. The e-commerce channel now represents 9% of total subscriptions customers.

Deferred revenue has grown to \$13.9 million, an increase of 75% compared to 30 June 2020. This is the result of the transition to a subscription-based business model (from primarily transaction-based), which will drive revenue growth and profitability, as well as increase the amount of recurring revenue and customer retention. In relation to the \$13.9 million deferred revenue, \$12.9 million will be recognised in FY22 and \$1.0 million will be recognised between FY23 and FY26. The increase in deferred revenue reflects the value of the subscription-based business model and the company has a strong base to accelerate revenue growth in future financial periods. The shift to subscriptions is also reflected in a 21% decrease in transactional revenue compared to 30 June 2020.

### Revenue by geography

Revenue by geographic location	30 June 2021 \$'000	30 June 2020 \$'000	% Change
ANZ (Australia and New Zealand)	18,164	18,116	0%
North America	3,667	4,087	-10%
Asia	1,537	1,705	-10%
Europe	5,237	4,660	12%
Middle East and Africa	1,767	1,685	5%
United Kingdom	3,053	2,928	4%
<b>Total revenue by geographic location</b>	<b>33,425</b>	<b>33,181</b>	<b>1%</b>

### Revenue by geography FY21

- ANZ 54%
- Other 46%



### Revenue by geography FY20

- ANZ 55%
- Other 45%



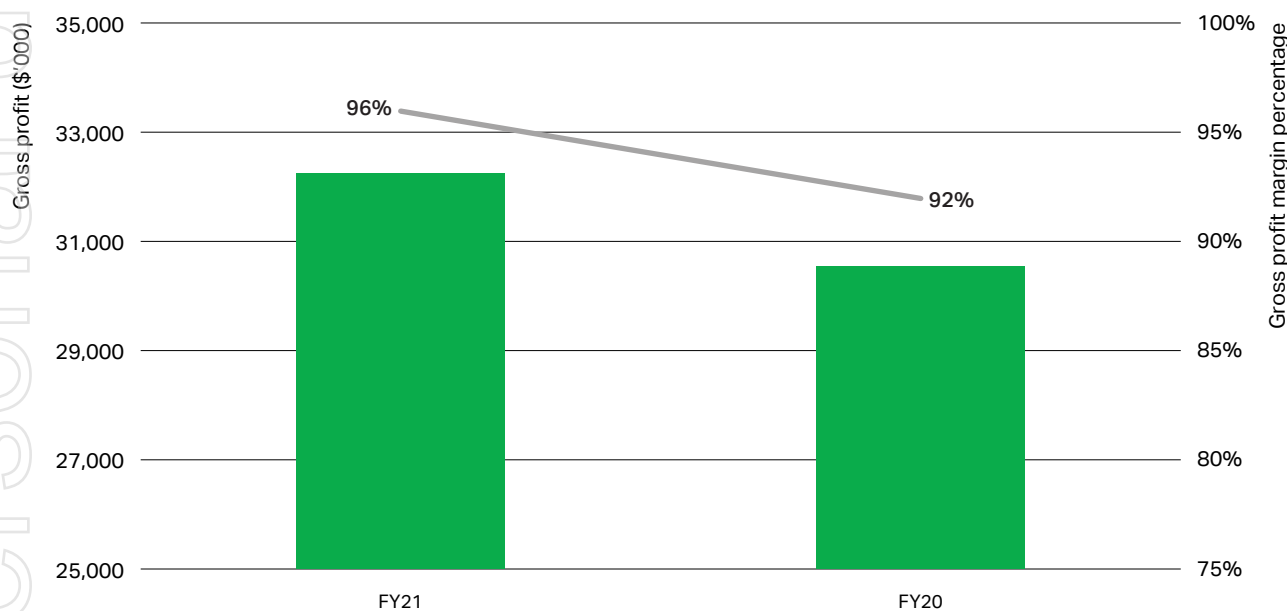


## Gross Profit

Gross profit represents operating revenue less cost of revenue. Cost of revenue primarily relates to sales commissions for sales employees and third-party fees for software used to provide product features and VDR archive expenses.

Year ended	30 June 2021 \$'000	30 June 2020 \$'000	% Change
Revenue and other income	33,425	33,181	1%
Cost of revenue	(1,173)	(2,635)	-56%
Gross profit	32,252	30,546	6%
Gross profit margin %	96%	92%	4%

### Gross Profit and Gross Margin



Ansarada reports a gross profit of \$32.3 million for the year, compared to \$30.5 million for the year to 30 June 2020. Ansarada has historically maintained strong gross profit margins above 90%. Gross margin has increased by 4% to reach 96% for period ended 30 June 2021. The primary reason for the change in the cost of revenue was due to the Company now capitalising incremental costs of obtaining revenue contracts in FY21 of \$0.6 million in accordance with AASB 15.

The deferral of commissions is deferred in line with the revenue contract period. Refer to Note 7 in the Financial Statements for further information. Furthermore, through negotiations of third-party contract renewals, Ansarada achieved a further cost saving of \$0.4 million which is included in the cost of revenue in FY21.

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## Earnings before interest, tax, depreciation, and amortisation (EBITDA)

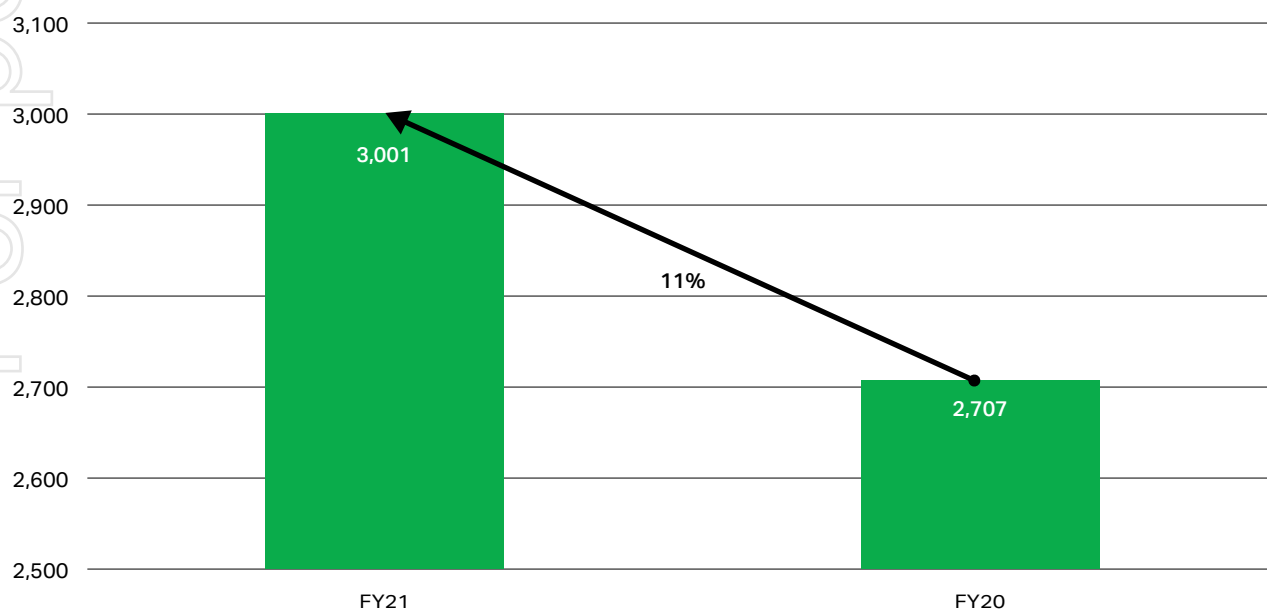
EBITDA is a key earnings measure considered by management in operating the business. This measure has been provided as we believe it provides useful information for readers in understanding Ansarada's financial performance.

Year ended	30 June 2021	30 June 2020	% Change
Profit/(Loss) for the year	642	(26,025)	102%
Add back: Income tax expense	141	351	-60%
<b>Statutory Profit/(loss) before income tax expense</b>	<b>783</b>	<b>(25,674)</b>	<b>103%</b>
Add back: net finance expense	522	339	54%
Add back: net finance income	(9)	(18)	-50%
Add back: Fair value Convertible Note	(9,072)	15,505	-159%
Add back: business combination costs	467	-	100%
Add back: depreciation and amortisation expense	10,276	9,083	13%
Add back: non-cash impairment intangible assets	34	2,771	-99%
Add back: Establishment Fee – Convertible Note	-	701	-100%
<b>EBITDA</b>	<b>3,001</b>	<b>2,707</b>	<b>11%</b>
<b>EBITDA margin</b>	<b>9%</b>	<b>8%</b>	<b>1%</b>

EBITDA improved by \$0.3 million to \$3 million, up 11% compared to FY20, resulting in EBITDA as a percentage of revenue increasing from 8% in FY20 to 9% in FY21.

The improvement in FY21 EBITDA was primarily driven by operational efficiencies delivered across the cost of revenue, product design and development, general and administration functions and the adoption of costs capitalised to obtain revenue contracts in FY21 of \$0.6 million in accordance with AASB 15. Also, revenue increased by 1% in FY21 compared to FY20, as the business continues to scale.

### Earnings before interest, tax, depreciation and amortisation (EBITDA)



## Adjusted EBITDA

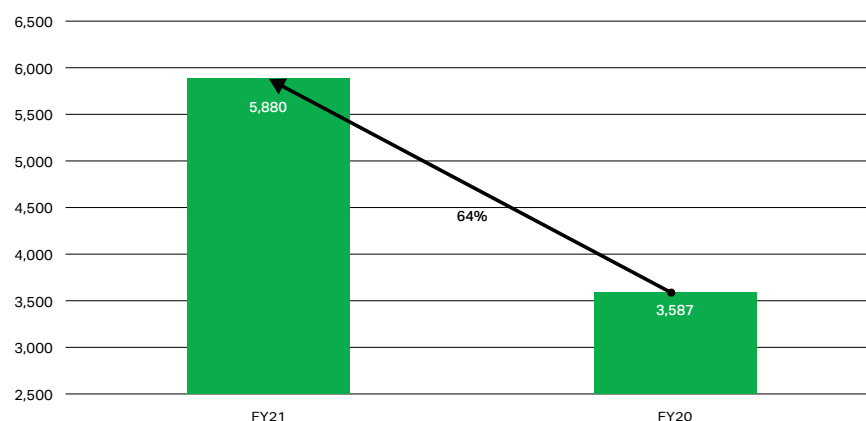
Adjusted EBITDA represents earnings before interest, tax, depreciation and amortisation ("EBITDA"), excluding non-cash share-based expense, non-cash impairments, capital raising, business combination fees, redundancies expenses and other abnormal one-time costs. Underlying information, including this reconciliation to net profit after income tax expense, has been provided in order to meet the demands from the users of the financial reports for information to better understand aspects of the Company's performance.

A reconciliation of adjusted earnings before interest, tax, depreciation and amortisation ("Adjusted EBITDA") to statutory profit after tax for the year is as follows:

Year ended	30 June 2021	30 June 2020	% Change
Profit/(Loss) for the year	642	(26,025)	102%
Add back: Income tax expense	141	351	-60%
<b>Statutory Profit/(loss) before income tax expense</b>	<b>783</b>	<b>(25,674)</b>	<b>103%</b>
Add back: net finance expense	522	339	54%
Add back: net finance income	(9)	(18)	-50%
Add back: Fair value Convertible Note	(9,072)	15,505	-159%
Add back: business combination costs	467	-	100%
Add back: depreciation and amortisation expense	10,276	9,083	13%
Add back: non-cash share-based expense	2,032	569	257%
Add back: ex-gratia payments	655	-	100%
Add back: impairment third-party supplier	(388)	-	100%
Add back: non-cash impairment intangible assets	34	2,771	-99%
Add back: capital raise and IPO fees	-	254	-100%
Add back: Establishment Fee – Convertible Note	-	701	-100%
Add back: restructure payments <sup>1</sup>	580	57	918%
<b>Adjusted EBITDA</b>	<b>5,880</b>	<b>3,587</b>	<b>64%</b>
<b>Adjusted EBITDA margin</b>	<b>18%</b>	<b>11%</b>	<b>7%</b>

Adjusted EBITDA for FY21 was \$5.9 million, an improvement of \$2.3 million or 64% compared to FY20. The main driver for the increase was the add-back of the cancellation of Ansarada's legacy employee share option plan which resulted in the acceleration of vesting and recognition of a non-cash impact of \$1.4 million to the consolidated statement of income and other comprehensive income. Furthermore, additional one-off costs such as business combination costs of \$0.5 million and restructure payments of \$0.6 million were recognised in FY21. This resulted in adjusted EBITDA improving as a percentage of operating revenue by 7%.

Adjusted Earnings before interest, tax, depreciation and amortisation (EBITDA)



1 Restructure costs relate to staff redundancy and terminations associated with restructuring activities in September 2020.





## Cash flow and liquidity

Free cash flow is a financial measure that has been included to show readers net cash generated by and invested into, the business. We define free cash flow as cash flows generated from operating activities less cash flows used for acquisitions of, and investments into, businesses and strategic assets.

Cash flows and liquidity Year ended 30 June 2021	30 June 2021 \$'000	30 June 2020 \$'000	% Change
Receipts from customers	38,163	38,444	-1%
Other operating cash flows	(31,614)	(33,823)	-7%
Add back: business combination costs	721	-	100%
Add back: capital raise and IPO fees	298	955	-69%
Add back: restructure costs	580	57	918%
Add back: ex gratia payments	655	-	100%
Add back: cancellation of share options	287	-	100%
<b>Total adjusted cash flow from operating activities</b>	<b>9,090</b>	<b>5,633</b>	<b>61%</b>
<b>Investing activities</b>	<b>(5,105)</b>	<b>(9,281)</b>	<b>-45%</b>
Add back: cash acquired on acquisition of business	(1,988)	-	100%
<b>Free cash flows</b>	<b>1,997</b>	<b>(3,648)</b>	<b>155%</b>
<b>% of operating revenue</b>	<b>6%</b>	<b>-11%</b>	<b>17%</b>

Adjusted cash flow from Operations is adjusted for one-time costs including business combination costs and restructure payments. Adjusted cash flow from operating activities increased by \$3.5 million, or 61%, for FY21. This was primarily due to a decrease to payments to suppliers and employees, as a result of reduced headcount in FY21 and other cost control efficiencies in FY21.

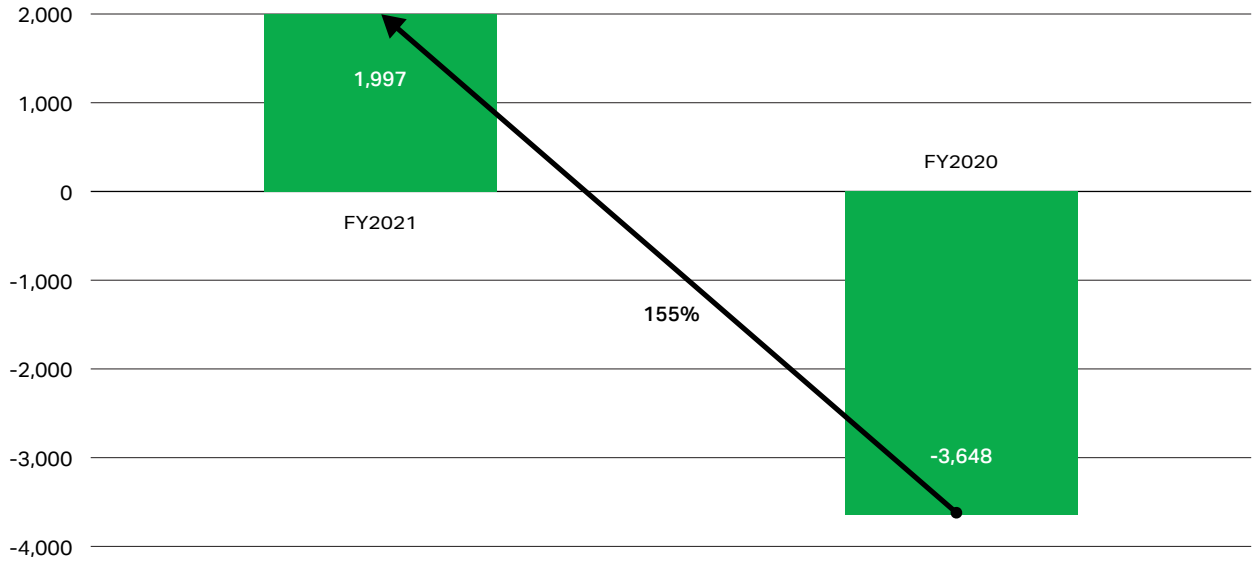
Receipts from customers decreased by 1% or \$0.3 million to \$38.2 million. This was largely attributable to the timing of payments and is the reason why receipts from customers are not aligned to the revenue growth of 1%. The Company has a trade receivable balance of \$4.8 million as at 30 June 2021, with \$4.2 million of this balance with an ageing of 30 days and less.

Cash outflows from investing activities decreased by 45% or \$4.2 million. The decrease was largely driven by lower capitalised spend on product design and development, which decreased by \$2.1 million or 23% compared to FY20. In previous years, Ansarada made significant investments to transition the product platform to a SaaS-based platform model under subscription pricing. As the development of the platform is largely complete, product design and development investment decreased driven by a reduction in employee headcount.

Overall, free cash flow increased by \$5.6 million to \$2.0 million, equating to 6% of total operating revenue, compared to negative free cash flow of \$3.6 million or -11% of total operating revenue in FY20.

Total available liquidity (defined as cash at bank and on hand and short-term deposits) at 30 June 2021 was \$22.6 million. This comprised of proceeds from the issue of shares related to the merger of \$45.0 million and operating cash flows. The Group recorded one-off cash payments relating to the repayment of the Convertible Notes of \$25.0 million and transaction costs related to the issue of equity securities of \$7.0 million.

**Free Cash Flow**



**Great Place To Work Certified for 11 years in Sydney**

More than just doing great work, we are committed to being a great place to work. Ansarada has been certified as a Great Place To Work in Sydney for the last 11 years running, and in Ho Chi Minh City from last year.

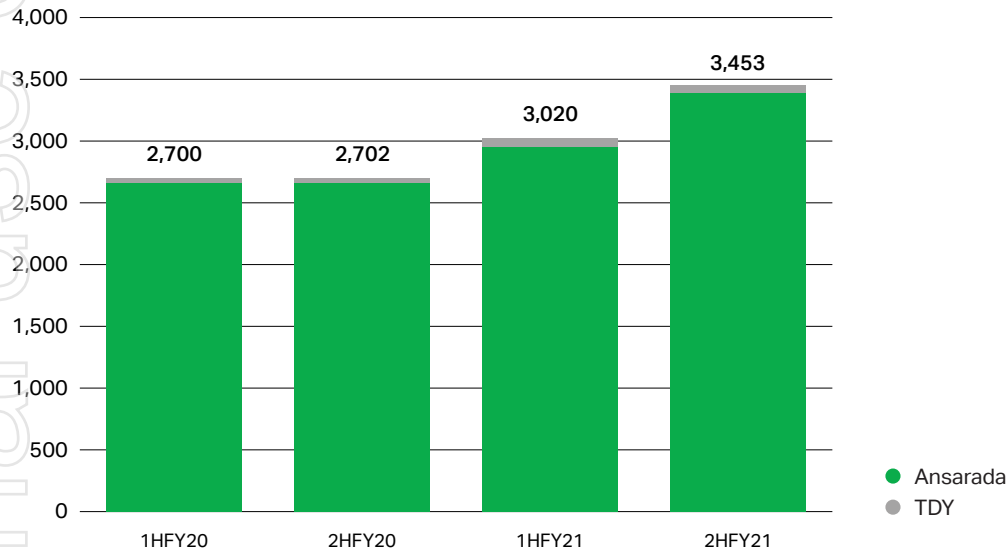


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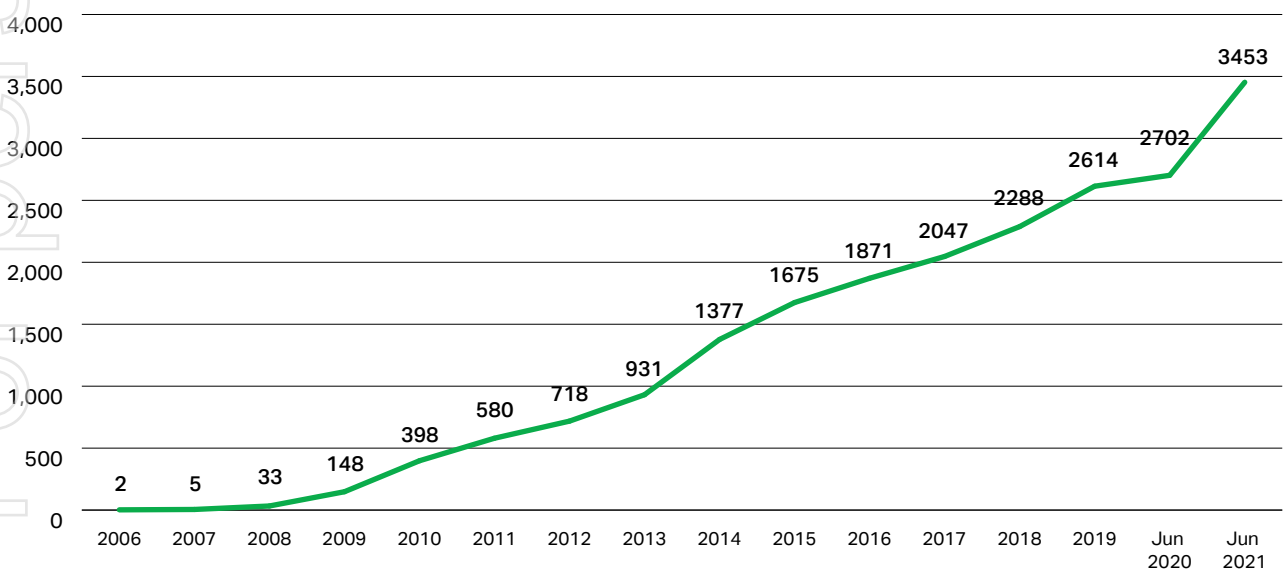
## Customers

Under Ansarada's ongoing growth strategy, total pro forma<sup>1</sup> active customers increased 28% YoY to 3,453 at the end of the June-2021. In addition, pro forma subscription customer numbers reached 2,566 in the period, up 41% YoY, continuing the Group's transition to increased subscription contracts and longer-term contracts<sup>2</sup>. New customers using Ansarada's platform on longer term contracts included a three-year enterprise-wide contract with PwC UK and large new tenders' business wins.

### Total Pro Forma Customers Trend



### Active Customers: Continuous and accelerating growth



<sup>1</sup> Pro forma comprises the historical combination of the merged companies.

<sup>2</sup> Subscription customer numbers include thedocyard and E-commerce channels.

## Performance Metrics

	30 June 2021	30 June 2020	% var
Wins	3,269	2,492	31%
Subscribers	2,566	1,821	41%
Customers	3,453	2,707	28%
ARPA	1,043	1,130	-8%

The Group saw an 28% increase in pro forma customers<sup>1</sup> compared to FY20, with total customer numbers reaching a record 3,453. Subscribers<sup>2</sup> grew to a record 2,566, up 41% YoY from 1,821 in FY20.

New wins<sup>3</sup> (including e-commerce) in FY21 were up 31% YoY, reflecting the continued strong growth in the M&A market during the year. New wins are a leading indicator of revenue.

In addition to our customer and revenue growth, ARPA<sup>4</sup> has also slightly increased from \$1,032 in Q3 FY21 to \$1,058 in Q4 and ending \$1,043 for the full year.

### E-commerce

Our e-commerce channel continued to improved its key metrics from acquisition to conversion, delivering 238 active customers<sup>5</sup> at end of June 2021, a +693% increase in active customers through this acquisition channel. To accelerate growth, we increased our global spend on marketing, while continuing to improve the customer experience. With a fast payback on customer acquisition costs, positive cash flow and a strong balance sheet we are well placed to continue scaling in FY22.

- 1 Customers refers to pro forma active customers as at period end and includes consolidated customer numbers for both Ansarada NewCo Pty Ltd and Ansarada Group Limited (formerly thedocyard) including periods prior to the merger. Active customers includes any subscription/contract with an active platform. Customers may have more than one deal platform, board portal or governance solution open at any given time.
- 2 Subscriber refers to pro forma active subscription contracts/customers at period end. Pro forma includes consolidated subscriber numbers for both Ansarada NewCo Pty Ltd and Ansarada Group Limited (formerly thedocyard) including periods prior to the merger.
- 3 A Win represents Ansarada closing a paying subscription/contract customer. Prior year comparisons to Ansarada NewCo Pty Ltd.
- 4 ARPA represents the average monthly revenue generated from customers on subscription-based contracts (excludes E-commerce).
- 5 E-commerce customers refers to Customers acquired through the e-commerce channel.



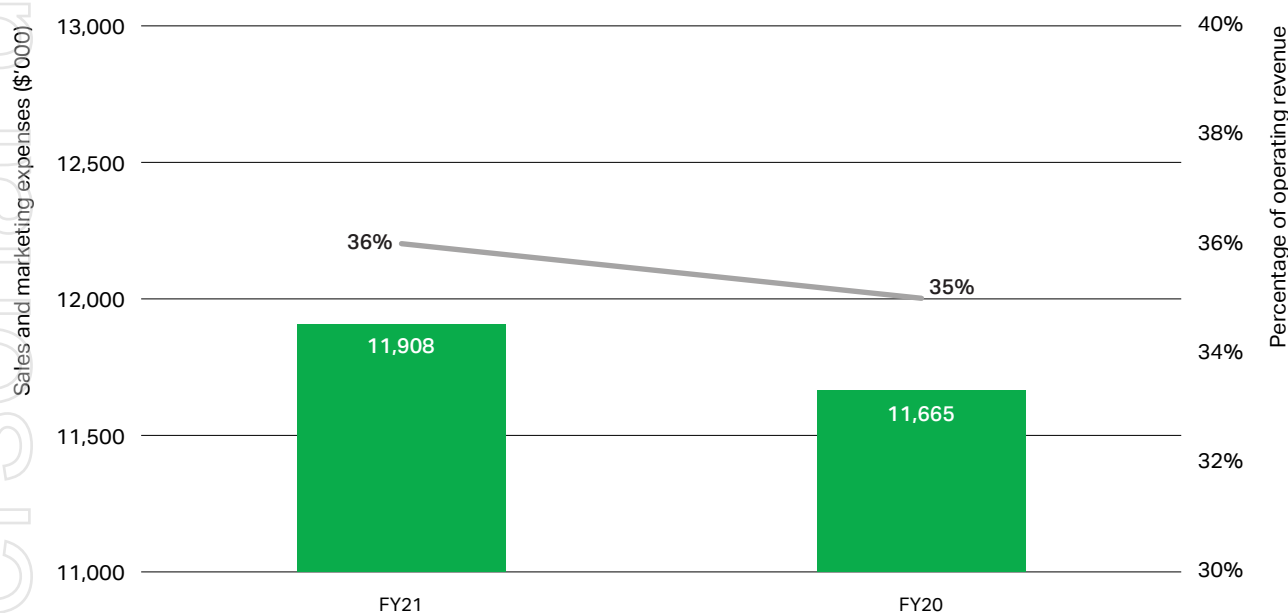


## Sales and marketing

Sales and marketing expenses consist of personnel and related costs (including salaries, benefits, bonuses, commissions and payroll tax) directly associated with sales, customer service and marketing team activities to acquire new customers and grow revenue from existing customers. Other costs included are external advertising costs, marketing costs and promotional event costs as well as allocated overheads.

Year ended 30 June 2021	30 June 2021 \$'000	30 June 2020 \$'000	% Change
Sales and marketing expenses	11,908	11,665	2%
Percentage of operating revenue	36%	35%	1%

### Sales and Marketing Expenses as a % of revenue



Sales and marketing costs increased by \$0.2 million, or 2%, compared to FY20, to \$11.9 million for FY21. The majority of sales and marketing costs are incurred to acquire new customers and are expensed in the period, in contrast to the associated revenue from those customers which is recognised over the life of the Contract.

Also, as a result of legacy employee share options which were terminated, an additional \$0.8 million was recognised in the Income Statement within total product design and development expenses. Refer to note 33 for further information in relation to the cancellation of the legacy employee share option plan. Also, there was a strategic increase in advertising costs and promotional events in 2HFY21.

Ansarada invested in growth; specifically marketing to service overseas markets and investment in digital acquisition channels, including Ansarada's E-commerce channel, which is a large part of its combined growth strategy going forward. The Company also continues to

invest in its sales methodology and training, brand and content and distribution channels. Partially offsetting the increased investments, during 1H FY21 Ansarada introduced a number of temporary reductions in response to the COVID-19 environment until the impacts became clearer.

As a result of the acquisition of Ansarada NewCo Pty Ltd on 4 December, there was a 38% increase in sales and marketing spend in 2HFY21 compared to 1HFY21 which resulted in a 16% increase in recognised revenue and 29% increase in deferred revenue which will be recognised in FY22 and beyond. This demonstrates Ansarada's ability to take an agile approach to capital allocation, either to control costs or invest for growth, as appropriate for the operating environment.

The average cost of acquiring a customer decreased to \$3.6k in FY21 compared to \$4.3k in FY20. This reflects higher customer additions in FY21 compared to FY20.

As a percentage of operating revenue, sales and marketing expenses increased by 1%, from 35% in FY20 to 36% in FY21.

This percentage was heavily influenced by the reduction in spending during 1HFY21 in response to the COVID-19 environment. Sales and marketing expenses increased as a percentage of operating revenue by 6% from 32% in 1HFY21, to 38% in 2HFY21. This increase from 1HFY21 to 2HFY21 shows a trend towards more normalised levels of sales and marketing expenses as a percentage of revenue. Lower levels of sales and marketing expenditure seen in FY21 are not expected to be sustained over the next few years as Ansarada looks to maximise opportunities and accelerate growth as the impact of COVID-19 lessens over time.

### World-first online quoting for advisors

**Our e-commerce platform has been extended to include online quoting functionality for advisors.**

Now, advisors can get an instant quote and access to a data room for their clients online, and significantly reduce the time spent on procurement and getting started.



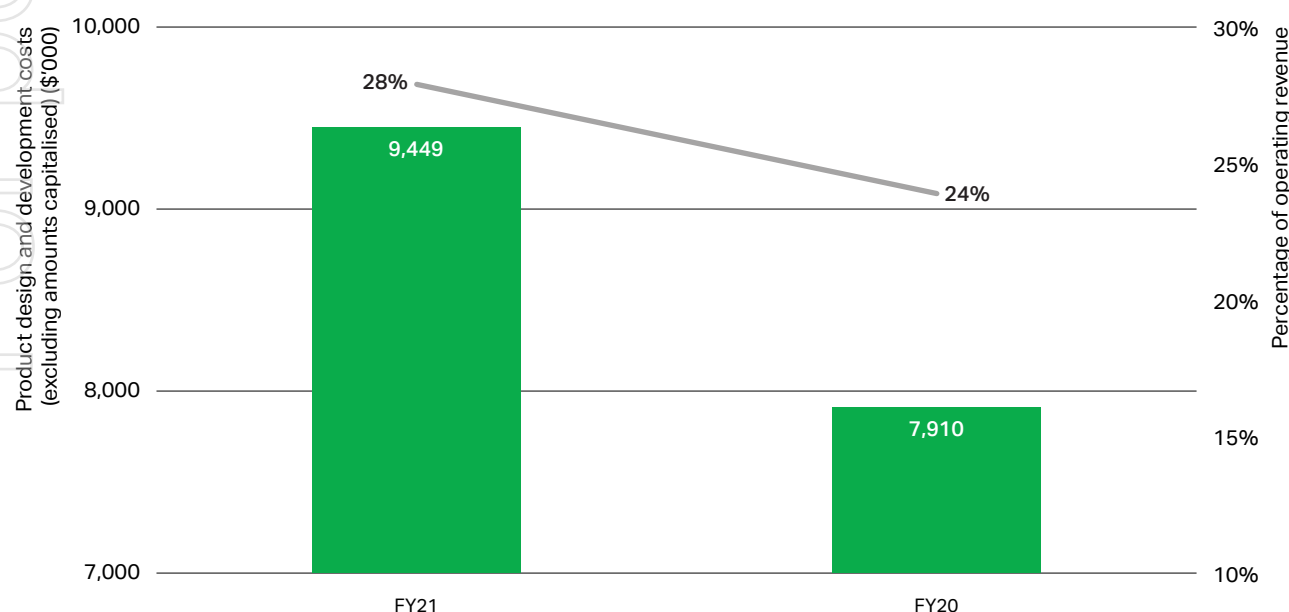
## Product design and development

Product design and development expenses consist of personnel and related costs (including salaries, benefits, payroll tax) and third-party costs associated with product design and development. Includes costs associated with Ansarada's Vietnam product design and development capabilities that currently operates under a Build Operate Transfer (BOT) model. Includes relevant software licences, security testing and hosting costs.

Year ended 30 June 2021	30 June 2021 \$'000	30 June 2020 \$'000	% Change
<b>Product design and development costs (including amounts capitalised)*</b>	<b>14,518</b>	<b>17,117</b>	<b>-15%</b>
Percentage of operating revenue	43%	52%	-8%
Less: capitalised development costs	(5,069)	(9,207)	-45%
<b>Product design and development costs (excluding amounts capitalised)</b>	<b>9,449</b>	<b>7,910</b>	<b>19%</b>
Percentage of operating revenue	28%	24%	4%
Add: amortisation and depreciation	9,375	8,148	15%
Add: impairment of capitalised development costs	32	2,695	-99%
<b>Product design and development expenses</b>	<b>18,856</b>	<b>18,753</b>	<b>1%</b>
<b>Total product design and development including amounts capitalised, and depreciation and amortisation</b>	<b>23,925</b>	<b>27,960</b>	<b>-14%</b>
<b>Percentage of capitalised costs of total product design and development costs (excluding depreciation and amortisation)</b>	<b>35%</b>	<b>54%</b>	<b>-19%</b>
Percentage of operating revenue	56%	57%	-1%

\*Excludes depreciation, amortisation and impairment expenses.

### Product design and development costs (excluding amounts capitalised) as a % of revenue



Ansarada is strategically investing in developing its product and platform, ensuring a balance between developing new functionality and investing in the platform for long-term growth. Some key new product features in FY21 included:

- Launched Deal Workflow feature: Project management tool, including digitised checklist and Gantt chart view, inside the Deals space to centralise activities across the full deal lifecycle
- Rebranded Athena Board and made available under Ansarada login: A simple-to-use online board portal for preparing and running board meetings with ease
- Refined E-Commerce platform: Giving companies and advisors the ability to buy online in minutes, including the world's first online quoting for advisors that streamlines the process to a few simple clicks
- Doc classification: Efficient AI-powered sorting and organization of documents, including Smart Sort and Smart Upload

Ansarada capitalises development costs associated with commercialised products or where there is a reasonable chance of being completed and commercialised. Ansarada has assumed a useful life of one to five years for capitalised product design and development assets. Excluded from the capitalised portion of product design and development expenditure are activities such as product documentation processes, automation, market research and analysis, support maintenance and training services which are expensed through the profit and loss statement.

Ansarada has historically invested significant resources into product design and development and has a detailed product roadmap it is executing against in order to continue developing products and processes that will help position the Group ahead of its competitors whilst expanding into adjacent markets with additional solutions across the information governance spectrum. Initial investments to establish the B2B SaaS platform model have reduced materially, stabilising ongoing operational costs and significantly increasing the Company's ability to scale efficiently.

The Company invested \$5.1 million in capitalised costs during FY21 which is a decrease of \$4.1 million or 45% from the comparative period. Capitalised development costs as a percentage of total product design and development costs (excluding depreciation and amortisation) was 35% for FY21. This was a 19% decrease from 54% in FY20. This was attributable to the decrease in the average headcount from 78 in FY20 to 55 in FY21 and also due to initial investment in previous years to establish the B2B SaaS platform model as mentioned above.

Total product design and development costs (excluding capitalisation) increased by \$0.1 million, or 1%, from \$18.8 million in FY20 to \$18.9 million in FY21. Of this, \$9.4 million was in relation to amortisation and depreciation which is included as a non-cash expense in the Income Statement within total product design and development expenses. As a proportion of operating revenue, total product design and development costs for

FY21 (excluding amounts capitalised, amortisation and depreciation) increased by 4% to 28%. Total product design and development costs (excluding capitalisation, amortisation and depreciation) increased by \$1.5 million, or 15%, from \$7.9 million in FY20 to \$9.5 million in FY21. The increase was attributed to lower capitalisation of 35% compared to 54% in FY20 as mentioned in the above paragraph. Also, as a result of legacy employee share options which were terminated an additional \$0.8 million was recognised in the Income Statement within total product design and development expenses in FY21. Refer to note 33, for further information in relation to the cancellation of the legacy employee share option plan.

The amortisation and depreciation of \$9.4 million is included in accounting profit of \$0.6 million. Amortisation and depreciation increased by \$1.2 million due to prior year's capitalised costs now being amortised for a full 12 months compared to a partial amortisation in prior year and also approximately \$2.2 million of capitalised development costs in relation to new projects which were "Work in progress" as at 30 June 2020 have now been released and amortised in FY21.



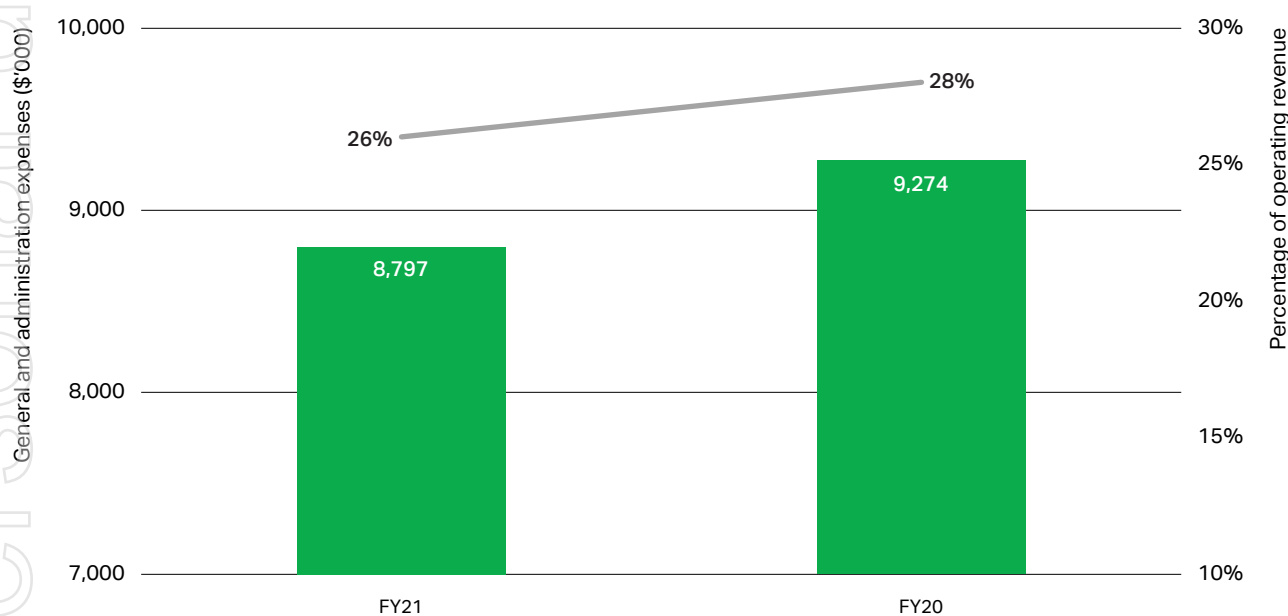


## General and administration

General and administration expenses consist of personnel and related costs (including salaries, benefits and payroll tax) for the Company's and Ansarada's management team, finance, legal, human resources, operations and administration employees. These expenses also include professional fees for legal, accounting, tax and other services and occupancy, travel and entertainment, administration and board costs.

Year ended 30 June 2021	30 June 2021 \$'000	30 June 2020 \$'000	% Change
General and administration expenses	8,797	9,274	-5%
Percentage of operating revenue	26%	28%	-2%

### General and Administration Expenses as a % of revenue



General and administration expenses were \$8.8 million for FY21, \$0.5 million or 5% lower than FY20. This was largely attributable to the decrease in personnel-related expenses, as a result of lower employee headcount over the second half of FY21. Personnel-related expenses decreased by \$0.5 million from \$5.7 million in FY21 vs \$6.2 million in FY20.

General and administration costs as a proportion of operating revenue decreased compared to FY20, by 2% to 26%.

## Finance expense and fair value adjustments

Finance expenses relate primarily to lease interest associated with leased property as per AASB 16, capital raising costs, business combination costs and various bank-related charges.

The Company repaid \$25 million to Ansarada NewCo Pty Limited Convertible noteholders from the proceeds of funds. Convertible Noteholders who have elected to receive Nonsideration shares for their existing warrants and principal sum invested have a conversion equity rollover converting to approximately \$31.5 million. The convertible notes and warrants were remeasured to fair value immediately prior to the repayment and conversion of Convertible Noteholders, this resulted in a fair value adjustment of \$8.5 million in relation to the conversion of the Convertible Notes and \$0.5 million for the conversion of warrants being released to the Consolidated Statement of Profit and Loss and other Comprehensive Income.

	30 June 2021 \$'000	30 June 2020 \$'000	% Change
<b>Finance expense</b>			
Interest expense – bank	(189)	(200)	-6%
Interest expense – lease liability	(265)	(122)	117%
Establishment Fee – Convertible note	–	(701)	-100%
Net foreign exchange gain/(loss)	(68)	(18)	278%
Transaction costs – acquisition	(467)	–	100%
<b>Total Finance expense</b>	<b>(989)</b>	<b>(1,041)</b>	<b>-5%</b>
<i>Fair Value Adjustment</i>			
Convertible Notes	8,520	(13,786)	-162%
Warrants	552	(1,719)	-132%
<b>Total Fair value adjustment</b>	<b>9,072</b>	<b>(15,505)</b>	<b>-159%</b>

Finance expense decreased by 5%, driven by decrease in capital raising costs of \$0.7 million and offset by an increase in business combination costs \$0.5 million and interest on lease liabilities of \$0.1 million. The increase in lease liability interest was due to the Company extending its current lease agreement in Australia by five years. The business combination costs are in relation to the acquisition of Ansarada NewCo Pty Ltd.

Fair value adjustment is in relation to Convertible Notes.

## Employees

Year ended 30 June 2021	30 June 2021 \$'000	30 June 2020 \$'000	% Change
Total Group	131	162	-19%

As at 30 June 2021, the Group currently employs over 130 people across its offices located in Sydney, Chicago, London, Amsterdam, Johannesburg, and Vietnam. In September 2020, the Company undertook significant and permanent cost reductions in response to the impacts of COVID-19 and rebalancing of the cost base to better position Ansarada for continued growth, resulting in a reduction in overall headcount by the end of FY21.



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# Strategic Outlook

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Key growth strategies include:

01

**More intuitive self-serve product features**

that help customers digitise their processes to standardise their critical workflows end-to-end on Ansarada

02

**Serve more of the lifecycle of deals, tenders, compliance and board management**

to increase ongoing subscriptions

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**Increase multi product use on Platform**

**Increase partnership and integrations in verticals we already serve**



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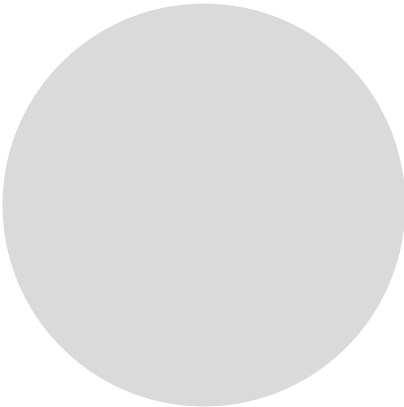
**Increase  
ARPA**

**Improved  
solutions and  
features for**  
Risk and  
Compliance  
use cases

Corporate  
development:  
**Ongoing  
review of M&A  
opportunities**

**03**  
**Optimise the  
customer's digital  
journey into and  
through our products**  
to make every experience  
fast, simple and magical

**04**  
**Launch more AI and  
data-based features**  
to help customers  
automate processes,  
reduce risks and make  
better decisions



**Grow our Tenders  
and Infrastructure  
focused business**  
internationally

**Increase brand  
and digital  
reach to scale**  
internationally





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Now you can  
run a successful



For personal use only  
deal.

#### Client story

### Johan Holtzhausen

Managing Director, PSG Capital

**"Ansarada is a technology platform we can trust. Information is readily available, so you can be prepared when the deal starts. You don't have to worry, and you know you don't have to worry. With the Ansarada Deals system, for me to be able to go in and see where 10 team members are on any transactions... for a CEO, it's a lot easier to have an immediate glimpse of progress when you're not using disparate systems."**



# Remuneration Report

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## Remuneration Report (audited)

The Directors present the Remuneration Report (the Report) for the Company) for the year ended 30 June 2021. This Report forms part of the Directors' Report and has been audited in accordance with Section 300A of the Corporations Act 2001. The information provided in this report has been audited as required by section 308(3C) of the Corporations Act 2001.

### 1. Key Developments in FY21

#### **Acquisition of Ansarada Group Limited and Ansarada NewCo Pty Limited**

On 4 December 2020, Ansarada Group Limited (formerly thedocyard Limited ASX:TDY) completed the acquisition of 100% of the share capital in Ansarada NewCo Pty Limited and commenced trading on the ASX on the 9 December 2020. On the 24 November 2020, the Company shareholders approved the company's renaming to Ansarada Group Limited. The comparative information for 30 June 2020 remuneration report represents remuneration for Ansarada Group Limited (formerly thedocyard Limited) ('TDY Group'). For the period ended, 30 June 2021, this report represents the remuneration of Ansarada Group Limited (formerly thedocyard Limited) (ASX:TDY) for the period 1 July 2020 to 4 December 2020 and the consolidated remuneration for Ansarada NewCo and TDY Group for the period post-acquisition from 4 December 2020 to 30 June 2021.

Refer to note 36 in the Financial Statements, for further information regarding the acquisition.

### 2. Review of remuneration structure

#### 2.1 Remuneration strategy and governance

The Board is responsible for ensuring that Ansarada's remuneration strategy and framework support the Group's performance and that executives and Non-Executive Directors are rewarded fairly and responsibly with regard to legal and corporate governance requirements. The responsibilities of a Remuneration Committee are currently undertaken by the Board which oversees remuneration matters and, where appropriate, makes recommendations on any changes to remuneration structure. The Board is comprised of Sam Riley and Stuart Clout and two independent Non-Executive Directors: Peter James (Chair) and David Pullini.

Ansarada's Key Management Personnel (KMP) are assessed each year and comprise the Executive Directors of the Company and select senior executives who have the authority and responsibility for planning, directing and controlling the Company's activities directly or indirectly. As a result of the most recent review, this involved rebalancing executive remuneration by changing the mix of long-term incentive plans (LTIP), base salary, and STI components for both the CEO and executives.

These changes capture Ansarada's continued evolution from its start-up origins to a global technology company, where competitive remuneration is an important factor in attracting and retaining executive talent.

#### 2.2 Principles of remuneration

As a global technology company, Ansarada is dependent on highly-skilled, specialist team members to execute our strategy. Our ability to attract, retain, reward, and motivate our people is fundamental to our long-term success. The remuneration strategy is aligned with the Company's purpose, vision and shareholders' interests.

The objective of determining remuneration levels is to:

- Set competitive remuneration packages to attract, retain and motivate high quality Directors and executives who will generate value for shareholders and ensure they are consistent with the Company's strategic goals and human resources objectives; and
- Establish remuneration strategies that are fair and reasonable having regard to the performance of the Company and the relevant director or executive.



Our executive remuneration framework has been carefully and purposefully developed to enable this by offering:

- Fixed remuneration competitive with the market;
- Short-term incentives based on challenging individual and Company-wide targets; and
- An options-based equity plan that is aligned with Ansarada's strategy, ensuring a focus on execution and long-term value creation.

The Board reviews and makes recommendations on the Company's remuneration policies, procedures and practices. It also defines the individual packages offered to Executive Directors and KMP's for recommendation to the Board. During the current and previous financial years, matters of remuneration and nomination were determined at a board level.

During the year to 30 June 2021, a comprehensive review of the Company's remuneration strategy was carried out to ensure alignment with its strategy and appropriate levels of remuneration relative to its industry peers, and this was completed in conjunction with the acquisition.

As part of this review, KPMG was engaged to review the remuneration structure of the Company, including incentive practises and third party software was used for market research for KMPs and employees. The Board did not receive a report that included provision of remuneration recommendations, as defined in the Corporations Act.

In accordance with Corporate Governance best practice (Recommendation 8.2), the structure of Non-Executive Director and executive remuneration is separate and distinct as follows:

- a) Non-Executive Directors (refer to section 5)
- b) Executive KMPs (refer to section 6)

### 2.3 Remuneration components

Component	Description	Link to strategy and performance
Fixed Annual remuneration	<ul style="list-style-type: none"> <li>• Base salary</li> <li>• Retirement benefits (superannuation)</li> </ul>	Reviewed annually based on individual skills, experience, accountabilities, performance, leadership and behaviours.
Short-term incentives (STI)	<ul style="list-style-type: none"> <li>• An at-risk component is set as a percentage of base salary</li> <li>• Calculated based on achievement against a range of Company-wide performance measures (financial and non-financial) and individual objectives</li> </ul>	Rewards delivery of key strategic and financial objectives and is aligned to Ansarada's goals for growth and operational discipline.
Long-term incentives (LTI)	<ul style="list-style-type: none"> <li>• An at-risk component is set as a percentage of base salary and granted annually subject to approval at the Annual General Meeting to participating executives, which entitles the executive to Ansarada shares on vesting of the option and payment of the exercise price.</li> <li>• Options are subject to a three-year vesting period and vest based of satisfaction of the vesting conditions.</li> <li>• Vesting is subject to continued employment, which provides an additional time-based retention incentive</li> </ul>	Rewards delivery against longer-term strategy and shareholder value creation.



## 2.4 Key management personnel

The Report details the remuneration arrangements for the Company's Key Management Personnel (KMP):

- Executive KMP
- Non-Executive Directors

Ansarada's KMP comprise all Directors and those executives who have specific authority and responsibility for planning, directing and controlling the activities of the Group. In this report, the term "Executive KMP" refers to KMP excluding Non-Executive Directors.

	Country of residence	Position	Period position was held during the year
<b>Executive Directors</b>			
Sam Riley	Australia	Chief Executive Officer (CEO)	Appointed as Director and CEO 4 December 2020
Stuart Clout	Australia	Chief Revenue Officer (former CEO)	Full year (CEO 1 July 2020 – 3 December 2020, CRO 4 December 2020 – 30 June 2021)
<b>Non-Executive Directors</b>			
Peter James	Australia	Chairman, Independent Non-Executive Director	Appointed as Director and Chairman 4 December 2020
David Pullini	Australia	Independent Non-Executive Director	Appointed as Director 4 December 2020
Steven Coffey	Australia	Chairman, Independent Non-Executive Director	Resigned 4 December 2020
James Walker	Australia	Chairman, Independent Non-Executive Director	Resigned 10 August 2020
<b>Non-Director Executive KMP</b>			
James Drake	Australia	Chief Financial Officer	Appointed as CFO 4 December 2020
Neale Java	Australia	Chief Financial Officer and Chief Operating Officer	Resigned 4 December 2020

## 3. Short-term incentives (STI)

Short-term incentives (STI) are an at risk component of remuneration that is structured to reward progress towards and alignment with Ansarada's strategic and financial objectives and create value for customers, employees and shareholders in the financial period. STI payments are set as a percentage of base salary and are based on level of responsibility.

STI is calculated based on achievement against a range of organisational performance measures (financial and non-financial). The STI performance metrics have been chosen as they focus the CEO, CFO and CRO on growing global revenue and creating valued customer experiences while at the same time maintaining operational discipline. STI payments comprise 100% cash.



Element	Details
Purpose	Focus participants on delivery of business objectives over a one year period.
Target opportunity (% base salary)	CEO 33.33%, CFO 33.33%, CRO 33.33% (pro-rated from 4 December 2020 - 30 June 2021 for FY21, as the STI plan was implemented with a start date of 4 December 2020)
Maximum opportunity (% base salary)	100% satisfaction of the STI performance metrics results in the following STI opportunity as a % of base salary: <ul style="list-style-type: none"> <li>• CEO 33.33%, CFO 33.33% CRO 33.33%.</li> <li>• Outperformance is possible up to a maximum of 150% of the 33.33% of base salary.</li> </ul>
Performance period	Performance is measured from 4 December 2020 to 30 June 2021. Next Financial year will be 1 July 2021 to 30 June 2022.
Gateways/Conditions	The award of any 2021 STI will be subject to the following performance gateways, i.e. no 2021 STI award will be paid unless: <ul style="list-style-type: none"> <li>• The Group's EBITDA for FY21 meets or exceeds \$0; and</li> <li>• No material security breach as determined by the Board.</li> </ul>
Financial objectives (60%)	The percentage of the Group Performance Component of the 2021 STI Award that will be paid out will be determined by reference to Group revenue billed during the Performance Period in accordance with the below schedule. In order for any of the Group Performance Component to be paid out, a threshold level of performance must be achieved.
<b>Actual Group revenue billed</b>	<b>Pay-out percentage</b>
Below \$33.54m	0%
At \$33.54m (threshold performance)	50%
Between \$33.54m and \$35.3m	Straight-line pro-rata vesting between 50% and 100%
At \$35.3m (target performance)	100%
Between \$35.3m and \$44.13m	Straight-line pro-rata vesting between 100% and 150%
At or above \$44.13m	Maximum of 150%
Non-financial objectives (40%)	Non-financial metrics are based on: <ul style="list-style-type: none"> <li>• Customer growth; and</li> <li>• Individual key performance indicators (KPIs) – Goals aligned to Company strategic objectives.</li> </ul>
Target setting	The targets set at the beginning of each financial year are reviewed and approved by the Board and are aligned to Ansarada's longer-term strategic objectives.
Evaluation of performance	Performance against financial and non-financial objectives is determined at the end of the financial period after review of executive performance by the CEO and CFO. All STI calculations are subsequently then presented to the Board for final approval.
Pay vehicle	100% of STI awarded is paid in cash.
Forfeiture and termination	Unless the Board determines otherwise, if the executive ceases employment, all STI awards not yet paid are forfeited.

### 3.1 Malus and clawback

If the Board becomes aware of a material misstatement in the Company's financial statements, or a KMP has committed an act of fraud, negligence or gross misconduct, engaged in an act which has brought a Group Company into disrepute, breached their duties or obligations to the Group, failed to comply with any restrictive covenant or that some other event has occurred which, as a result, means the 2021 STI Award should be reduced or extinguished, or should not vest, then the Board may clawback or adjust any such award at its discretion to ensure that key management personnel do not derive any unfair benefit.

### 3.2 Ansarada's performance and short-term incentive (STI) outcomes

Ansarada achieved record customer growth in FY21, to achieve our strongest year ever. In FY21, EBITDA, net profit and operating cash flow increased strongly compared to FY20. This reflects top-line growth together with close management of expenses and considered capital allocation. Also, there was no major security breach in FY21 so all initial conditions for short term incentives were met. A strong finish to Q4 2021 pushed total billed revenue to 9% above target. This outperformance translated to an increase of 18% for all potential STI payments in relation to financial objectives and each KMP was assessed separately for their individual key performance indicators. This performance is reflected in the outcomes against STI targets for the CEO, CRO and CFO.

### 3.3 Group performance

The below table sets out the aggregated Statutory results of Ansarada Group Limited (formerly thedocyard Limited) and Ansarada NewCo Pty Ltd, which represents the "Statutory revenue" and "Statutory EBITDA".

\$ millions	FY17 <sup>1</sup>	FY18	FY19	FY20	FY21
<b>Total Revenue</b>	<b>38.7</b>	<b>38.9</b>	<b>37.1</b>	<b>33.9</b>	<b>33.4</b>
<b>EBITDA</b>	<b>4.6</b>	<b>3.3</b>	<b>-11.7</b>	<b>-3.9</b>	<b>3.0</b>

1 Represents the results of Ansarada NewCo Pty Ltd standalone entity.

## 4. Long-term incentives (LTI)

LTI is an at-risk component of executive remuneration that is structured to reward the effective execution of Ansarada's strategic plan over a multi-year period.

In December 2020, upon completion of 100% share capital of Ansarada NewCo Pty Ltd, the Company made a one-time grant at the time of the acquisition of 8,758,281 Long Term Incentive (LTI) options under the employee share option plan (ESOP) to assist in the motivation, reward and retention of key personnel. All share options refer to options over ordinary shares of Ansarada Group Limited, which are exercisable on a one-for-one basis under the Employee Share Option Plan (ESOP). Vested LTI Options are exercisable from the end of the relevant Vesting Period until the Expiry Date. The LTI Options cannot be cash settled. The options are subject to a three-year vesting period and vest in three equal tranches annually from the grant date (refer to note 33 Share-based payments in the financial statements for further details).

Element	Details
Purpose	Rewards delivery against longer-term strategy and sustained shareholder value creation. Provides alignment between shareholder, customer, and executive outcomes and time-based retention through multi-year vesting.
Grant date	9 December 2020
Vesting conditions	Options vest annually in equal tranches over a three year period.
Exercise price	\$2.15 calculated as a 45% premium on the Offer Price set out in the Company's Prospectus.  The exercise price acts as an in-built performance hurdle, incentivising executives to create value that increases the Ansarada share price above the exercise price over the vesting period.
Expiry date	Any vested but unexercised Options will lapse on the 4th anniversary of the grant date.
Forfeiture and termination	If an employee's employment is terminated or they resign prior to the Vesting date, all unvested options will lapse and they will have 30 days to exercise any vested options.



**a) Analysis of movements in equity instruments**

The total LTI options each KMP granted during FY21 was:

KMPs	Role	Options Granted in FY21	Number vested during the year	Number lapsed during the year	Number outstanding 30 June 2021
Sam Riley	CEO, Executive Director	1,330,900	–	–	1,330,900
Stuart Clout	CRO (former CEO), Executive Director	1,035,144	–	–	1,035,144
Peter James	Chairman, Independent Non-Executive Director	946,040	–	–	946,040
David Pullini	Non-Executive Director	946,040	–	–	946,040
James Drake	CFO	630,695	–	–	630,695

**b) Cancellation of performance shares**

On the 29th January 2021, shareholders confirmed the prior cancellation of 1,200,000 Performance Shares held by Stuart Clout for nil consideration at the annual general meeting. The Company sought relevant Shareholder approval for the cancellation and it was approved by a 99.75% vote, and the resolution was passed.

**c) Share options vested and exercised**

Neale Java former Chief Financial Officer, 7,500 share options vested on 24 December 2020. Subsequently, the share options were exercised, and Neale Java was issued 7,500 Ordinary Shares on 12 February 2021.

**d) Future LTI plan not yet granted**

Annual KMP LTI grants are subject to approval at the Annual General Meeting which is expected to occur in November 2021, including number of options based on option value and exercise price which will be determined based on the maximum of volume weighted average share price prior to the AGM or \$1.48. The options granted are subject to the satisfaction of vesting conditions relating to the Company's total shareholder return (TSR) and continued employment with the Company.

TSR measures the growth in the price of the Company's shares as a percentage factoring in dividends notionally being reinvested in shares. The TSR hurdle will measure the Company's TSR compound annual growth rate (CAGR) for the period commencing on 1 July 2021 and ending on 30 June 2024. Options will fully vest with achievement of 20% or more CAGR over the measurement period with partial vesting for less than 20% CAGR subject to a minimum threshold.

The first grant under this scheme is under consideration for the FY21 AGM.

**5. Non-Executive Directors' remuneration****Fixed and variable remuneration**

The Board seeks to set Non-Executive Directors' remuneration at a level that provides the Company with the ability to attract and retain Directors of a high calibre whilst incurring a cost that is acceptable to shareholders.

Shareholders approve the maximum aggregate remuneration for Non-Executive Directors. The Board recommends the actual payments to Directors and the Board is responsible for ratifying any recommendations, if appropriate. Under the Constitution, the Board may decide the total amount paid by the Company to each Director as remuneration for their services as a Director. However, under the Constitution and the ASX Listing Rules, the total amount of fees paid to all Non-Executive Directors in any financial year must not exceed the aggregate amount of Non-Executive Directors, fees approved by Shareholders at the Company's general meeting. This amount has been fixed by the Company at \$600,000 per annum plus LTI Options.

The amount of aggregate remuneration and the manner in which it is apportioned amongst Directors is reviewed annually.

**The total remuneration of Non-Executive Directors may consist of the following:**

- Fixed cash fees, the level of which reflects the time commitment and responsibilities of the role of a Non-Executive Director;
- Superannuation contributions in line with the relevant statutory requirements;
- Non-cash benefits in lieu of fees such as equity or salary sacrifice into superannuation; and
- Equity-based remuneration where the Committee and Board deem that the issue of securities will align the interests of the Company's Non-Executive Directors with those of other security holders. It is recognised that Non-Executive Directors' remuneration is ideally structured to exclude equity-based remuneration with

performance hurdles attached as it may lead to bias in decision making and compromise objectivity.

Non-Executive Directors of the Company are not entitled to any retirement benefits other than superannuation.

As at the date of Completion the Acquisition, the annual Non-Executive Directors' base fee agreed to be paid by the Company to:

- the Chairman will be \$125,000; and
- each of the other Non-Executive Directors will be \$90,000.

Non-Executive Directors will also be paid Committee fees of \$10,000 per year for each Board Committee of which they are a Chair. Directors will not receive additional fees for being a member of a Board Committee. All Non-Executive Directors' fees are inclusive of statutory superannuation contributions.

Non-Executive Directors participated in the one-time LTI option grant at the time of the acquisition.

At 30 June 2021 Non-Executive Directors annual base fees inclusive of statutory superannuation contributions were as follows:

The total remuneration<sup>1</sup> of, and the value of other benefits received by, each Non-Executive Director during FY21 was:

Year-ended 30 June 2021	Role	Committee Chair	Short-term benefits Base salary \$	Short-term benefits Committee chair fees \$	Post- employment Superannuation \$	Share- based payments (A) \$	Total \$
<b>Non-Executive Directors</b>							
Peter James <sup>2</sup>	Chairman		66,839	–	6,350	64,249	137,438
David Pullini <sup>3</sup>	Independent NED	ARC Committee	47,191	5,833	5,037	64,249	122,310
<b>Former Director</b>							
James Walker <sup>4</sup>	Former Chairman		17,307	–	1,644	–	18,951
Steven Coffey <sup>5</sup>	Former Chairman		42,937	–	4,079	–	47,016
<b>Total</b>			<b>174,274</b>	<b>5,833</b>	<b>17,110</b>	<b>128,498</b>	<b>325,715</b>

(A) Amounts disclosed reflect the accounting expense for Shares Options valued in accordance with AASB 2 *Share-based payment* (refer to note 33 Share-based payments).

1 Total remuneration is presented based on accounting expenses and may include amounts earned, but not yet received.

2 Peter James was appointed on 4 December as Chairman, Independent Non-Executive Director.

3 David Pullini was appointed on 4 December as Independent, Non-Executive Director.

4 James Walker resigned as Chairman on 10 August 2020.

5 Steven Coffey was appointed as Chairman on 10 August and resigned 4 December 2020.

The total remuneration<sup>6</sup> of, and the value of other benefits received by, each Non-Executive Director during FY20 was:

Year-ended 30 June 2020	Role	Short-term benefits Base salary and fees \$	Post- employment Superannuation \$	Share-based payments \$	Total \$
<b>Non-Executive Directors</b>					
James Walker <sup>7</sup>	Chairman	50,000	4,750	–	54,750
Steven Coffey <sup>7</sup>	Independent NED and Former Chairman	40,000	3,800	–	43,800
<b>Total</b>		<b>90,000</b>	<b>8,550</b>	<b>–</b>	<b>98,550</b>

6 Total remuneration is presented based on accounting expenses and may include amounts earned, but not yet received.

7 Appointed 13 August 2019. Short-term benefits include Committee member fees.





## 6. Executive KMP remuneration

### Fixed and variable remuneration

The Company's remuneration policy for Executive Directors, the Chief Executive Officer and senior management is designed to promote superior performance and long-term commitment to the Company. Executives receive a base remuneration which is market related and may also be entitled to performance-based remuneration at the ultimate discretion of the Board.

Overall remuneration policies are subject to the discretion of the Board and can be changed to reflect competitive market and business conditions where it is in the interests of the Company and its shareholders to do so.

Executive remuneration and other terms of employment are reviewed annually by the Board having regard to performance, relevant comparative information and, where necessary, expert advice.

The Company's reward policy reflects the benefits of aligning executive remuneration with shareholders' interests and to retain appropriately qualified executive talent for the benefit of the Company. The main principles of the policy are:

- Remuneration is reasonable and fair, taking into account the Company's obligations at law, the competitive market in which the Company operates and the relative size and scale of the business;
- Individual reward should be linked to clearly specified performance targets which should be aligned to the Company's short-term and long-term performance objectives; and
- Executives should be rewarded for both financial and non-financial performance.

The total remuneration of Executive Directors, the Chief Financial Officer and other senior managers may consist of the following:

- **Salary** – Executive Directors, the Chief Financial Officer and senior managers may receive a fixed sum payable monthly in cash;
- **Short-term incentives** – Executive Directors, the Chief Financial Officer and nominated senior managers are eligible to participate in a short term incentive plan if deemed appropriate;
- **Long-term incentives** – Executive Directors, the Chief Financial Officer and nominated senior managers may participate in share option schemes with the prior approval of shareholders. Executives may also participate in employee share option schemes, with any option issues generally being made in accordance with thresholds set in plans approved by shareholders. The Board, however, considers it appropriate to retain the flexibility to issue options to executives outside of approved employee option plans in exceptional circumstances; and
- **Other benefits** – Executive Directors, the Chief Financial Officer and senior managers are eligible to participate in a superannuation scheme.

### Client story

#### Alex White

#### Vice President, Prescient

"The value of starting early is not so much just being prepared, but having the right options available. The later you start, the harder it is to implement controls."



## 6.1 Details of remuneration

The following table of Executive KMP remuneration<sup>1</sup> has been prepared in accordance with accounting standards and the Corporations Act 2001 requirements, for the period from 1 July 2020 to 30 June 2021.

Year ended 30 June 2021		Short-term benefits	Other short-term benefits	Post-employment	Post-employment	Share-based payments Share Options	Cash STI		
	Role	Salary and fees	(A)	Superannuation	Long Service Leave	(B)	(C)	Total	Performance Related %
Sam Riley <sup>1</sup>	CEO, Executive Director	202,290	(22,714)	10,847	33,315	90,387	70,535	384,660	42%
Stuart Clout <sup>2</sup>	CRO (former CEO), Executive Director	260,109	59,460	21,070	–	70,301	64,198	475,138	28%
<b>Other</b>									
James Drake <sup>3</sup>	CFO	171,739	8,218	10,847	–	42,833	61,534	295,171	35%
Neale Java <sup>4</sup>	Former CFO and COO	105,763	15,599	8,622	–	10,312	–	140,296	N/A
<b>Total</b>		<b>739,901</b>	<b>60,563</b>	<b>51,386</b>	<b>33,315</b>	<b>213,833</b>	<b>196,267</b>	<b>1,295,265</b>	

(A) In accordance with AASB 119 *Employee Benefits*, annual leave is classified as other short-term employee benefits.

(B) Amounts disclosed reflect the accounting expense for Shares Options valued in accordance with AASB 2 *Share-based payment* (refer to note 33 Share-based payments).

(C) Refer to section 3 for details regarding STI.

Total remuneration is presented based on accounting expenses and may include amounts earned, but not yet received.

1 Appointed on 4 December 2020.

2 Following the acquisition of Ansarada NewCo Pty Limited, Stuart Clout was employed in the position of Chief Revenue Officer. Refer to section 4(c) in relation to the cancellation of Stuart's performance shares.

3 Appointed on 4 December 2020.

4 Resigned on 4 December 2020 and included in short-term benefits is redundancy payment of \$28,154 and vested share options, which have been exercised at a value of \$10,312 on the date of exercise.



The total remuneration<sup>1</sup> of, and the value of other benefits received by, each Executive Director and KMP during FY20 was:

Year ended 30 June 2020	Role	Short-term benefits Salary and fees	Other short- term benefits (A)	Post- employment Superannuation	Share-based payments Performance shares (B)	Total <sup>1</sup>
<b>Executive Directors</b>						
Stuart Clout	CEO	156,250	19,615	14,844	44,499	235,208
<b>Other KMP</b>						
Neale Java	CFO and COO	123,075	11,068	11,692	–	145,835
<b>Total</b>		<b>279,325</b>	<b>30,683</b>	<b>26,536</b>	<b>44,499</b>	<b>381,043</b>

<sup>1</sup> Total remuneration is presented based on accounting expenses and may include amounts earned, but not yet received.

(A) In accordance with AASB 119 *Employee Benefits*, annual leave is classified as other short-term employee benefits.

(B) Amounts disclosed reflect the accounting expense for Shares Options valued in accordance with AASB 2 *Share-based payment* (refer to note 33 Share-based payments).

## 7. KMP Transactions

### 7.1 Loans and other transactions to KMP and their related parties

There were no loans or any other related party transactions which have not been mentioned in this report to KMP or their related parties during the current or previous financial years.

### 7.2 Shareholding of key management personnel

The movement during the reporting period in the number of ordinary shares in Ansarada Group Limited held, directly, indirectly or beneficially, by each KMP, including their related parties, is as follows:

	Held at 1 July 2020 <sup>1</sup>	Shares issued/ acquired	Shares Disposed	Held at 30 June 2021
Stuart Clout <sup>2</sup>	3,495,237	–	–	3,495,237
Sam Riley <sup>3</sup>	–	4,964,249	–	4,964,249
Peter James	–	146,351	–	146,351
David Pullini	–	177,435	–	177,435
James Drake	–	13,499	–	13,499
James Walker <sup>4</sup>	121,606	–	–	121,606
Steven Coffey <sup>5</sup>	8,750	–	–	8,750
<b>Total</b>	<b>3,503,987</b>	<b>5,301,534</b>	<b>–</b>	<b>8,927,127</b>

<sup>1</sup> Restated to adjust for share consolidation of 10:1 as a result of the acquisition of Ansarada NewCo Pty Limited, which was passed by shareholders on 24 November 2020.

<sup>2</sup> 75% of shares held at 30 June 2021 would be classified as "restricted securities" for the purpose of Chapter 9 of the ASX Listing Rules. The Escrowed Shares will be subject to escrow until the 10th day after the release of the Company's audited financial accounts for the year ending 30 June 2022.

<sup>3</sup> 75% of shares held at 30 June 2021 would be classified as "restricted securities" for the purpose of Chapter 9 of the ASX Listing Rules. The Escrowed Shares will be subject to escrow until the 10th day after the release of the Company's audited financial accounts for the year ending 30 June 2022.

<sup>4</sup> James Walker resigned as chairman on 10 August 2020.

<sup>5</sup> Steven Coffey was appointed as chairman on 10 August and resigned 4 December 2020.

## 8. Service Agreements

The following is a summary of the current major provisions of the agreement relating to remuneration of the Executive Directors.

### **Sam Riley – Chief Executive Officer**

#### **Employment Conditions**

**Commencement date:** 4 December 2020.

**Remuneration and other benefits:** Base remuneration of \$350,000 per annum plus superannuation

**Incentives:** Target STI of 33.33% of base salary, awarded as cash, subject to achievement of target.

Target LTI of 33.33% of base salary, awarded as options, subject to achievement of targets, and vesting after three years.

**Term:** Ongoing until notice is given by either party.

**Review:** Annually.

**Notice period required on termination:** 6 months by either party.

### **Stuart Clout – Chief Revenue Officer (former Chief Executive Officer)**

#### **Employment Conditions**

**Commencement date:** 29 October 2014.

**Remuneration and other benefits:** Base remuneration of \$305,000 per annum plus superannuation.

**Incentives:** Target STI of 33.33% of base salary, awarded as cash, subject to achievement of target.

Target LTI of 33.33% of base salary, awarded as options, subject to achievement of targets, and vesting after three years.

**Term:** Ongoing until notice is given by either party.

**Review:** Annually.

**Notice period required on termination:** 6 months by either party.

The following is a summary of the current major provisions of the agreement relating to remuneration of executive KMP:

### **James Drake – Chief Financial Officer**

#### **Employment Conditions**

**Commencement date:** 4 December 2020.

**Remuneration and other benefits:** Base remuneration of \$300,000 per annum plus superannuation.

**Incentives:** Target STI of 33.33% of base salary, awarded as cash, subject to achievement of target.

Target LTI of 33.33% of base salary, awarded as options, subject to achievement of targets, and vesting after 3 years.

**Term:** Ongoing until notice is given by either party.

**Review:** Annually.

**Notice period required on termination:** 6 months by either party.





# Directors' Report

The Directors present their report together with the Consolidated Financial Statements of the Group comprising of Ansarada Group Pty Limited and its controlled entities (the Ansarada Group or Group) (formerly known as thedocyard, TDY), for the year ended 30 June 2021, and the Independent Auditor's Report thereon.

## Directors

The Directors of Ansarada Group Limited at any time during the year ended 30 June 2020 and up to the date of this report are:

The Board of Directors	Name, qualifications and independence status
	
<p><b>Mr. Peter James</b>  <b>Chairman</b>  <b>Independent</b>  <b>Non-Executive Director</b>  <b>Appointed 4 December 2020</b></p> <p>Peter has extensive experience as Chair, Non-Executive Director and Chief Executive Officer across a range of publicly listed and private companies, particularly in emerging technologies, digital disruption, cyber security, e-commerce and media.</p> <p>Peter is currently Chairman at Droneshield (ASX: DRO), Nearmap (ASX: NEA), Keytone Dairy (ASX: KTD) and Macquarie Telecom Group (ASX: MAQ).</p> <p>Peter is a Fellow of the Australian Institute of Company Directors and a Fellow of the Australian Computer Society.</p>	<p><b>Mr. Sam Riley</b>  <b>Chief Executive Officer</b>  <b>Executive Director</b>  <b>Appointed 4 December 2020</b></p> <p>Sam co-founded Ansarada and was part of the founding team which built Ansarada from \$30k in seed capital.</p> <p>Sam has 15 years' experience as CEO and has established Ansarada as an employer of choice, having been listed on the top 50 great places to work for 11 years.</p>



**Mr. Stuart Clout**

**Chief Revenue Officer  
Non-Executive Director  
Appointed 4 December 2020**

Stuart Clout is the Founder of thedocyard. Prior to founding the thedocyard Stuart practiced as a corporate lawyer both in a large law firm partnership with Colin Biggers & Paisley in Sydney and in-house with the Tesco Group, a Fortune 100 company in London.

Stuart has over 15 years' experience as a corporate transactional lawyer and is an admitted solicitor in both New South Wales and England and Wales. In private practice, Stuart acted for a variety of large private and listed corporate clients, primarily on M&A and transactional matters.

**Mr. David Pullini**

**Independent  
Non-Executive Director  
Appointed 4 December 2020**

David has advisory experience and general management experience across multiple industries, including technology.

David is currently Principal of Ginostra Capital that actively holds both private and public market investments, together with being Chairman of Humanforce Pty Limited, Director of Vantage Asset Management and Investment Committee Member of Tempus Partners.

**Mr. Steven Coffey**

**Independent  
Non-Executive Director  
Chairman  
Resigned 4 December 2020**

**Mr. Neale Java**

**Director  
Chief Financial Officer/  
Chief Operating Officer  
Resigned 4 December 2020**

## Company Secretary

Marika White is Executive Director of Emerson Operations Pty Ltd and provides tailored company secretarial and compliance services to a range of public, private and non-for-profit organizations in Australia and internationally. Marika has extensive company secretarial experience in the Australian and international markets including a previous in-house role at Saudi Aramco, the world's largest oil company.

## Directors' meetings

The number of Directors' meetings and number of meetings attended by each of the Directors of the Company during the financial year are:

	Board of Directors		Audit and Risk Committee	
	A	B	A	B
Stuart Clout	14	14	–	–
Peter James <sup>1</sup>	6	6	3	3
Sam Riley <sup>2</sup>	6	6	–	–
David Pullini <sup>3</sup>	6	6	3	3
Steven Coffey <sup>4</sup>	6	6	–	–
Neale Java <sup>5</sup>	6	6	–	–

A Eligible to attend

B Attended

1 Peter James was appointed on 4 December 2020.

2 Sam Riley was appointed on 4 December 2020.

3 David Pullini was appointed on 4 December 2020.

4 Steven Coffey resigned on 4 December 2020.

5 Neale Java was appointed on 10 August 2020 and resigned on 4 December 2020.

## Principal activities

Ansarada is a global provider of cloud-based AI-powered virtual data rooms and material information platforms for secure end-to-end document and process management, supporting material transaction and governance outcomes for businesses throughout their lifecycle.

Ansarada's innovative and purpose-driven virtual data rooms enable the hosting, exchange and management of confidential material information between parties during critical events such as M&A (mergers and acquisitions), fundraising, tenders and IPOs via a business to business ("B2B") software ("SaaS") based platform.

## Review of operations

### Overview of the Group

Information on the operations and financial position of the Group and its business strategies and prospects is set out in the Operating and Financial Review on pages 10 to 33 of this report.

### Acquisition of Ansarada Group Limited and Ansarada NewCo Pty Limited

On 24 November 2020, the Company Shareholders approved the renaming of thedocyard to Ansarada Group Limited. On 4 December 2020, Ansarada Group Limited (formerly thedocyard Limited (ASX: TDY)) completed the acquisition of 100% of the share capital in Ansarada NewCo Pty Ltd.

The acquisition was subject to the completion of a Capital Raising of \$45.0 million through the issue of approximately 30.4 million shares and completion of a 10 to 1 share consolidation.

Ansarada Group Limited recommenced trading on the ASX on Wednesday 9 December at 10.00am under the ASX code AND. In accordance with accounting standards, this acquisition has been accounted for as a reverse acquisition with Ansarada NewCo Pty Limited being deemed the acquirer for accounting purposes.

- i. Ansarada Group Limited (formerly thedocyard Limited) is the legal parent entity to the Group; and
- ii. Ansarada NewCo Pty Limited, which is neither the legal parent nor legal acquirer, is deemed to be the accounting acquirer.

AASB 3 Business Combinations requires that consolidated financial Statements prepared following a reverse acquisition shall be issued under the name of the legal parent (i.e. Ansarada Group Limited) but be a continuation of the financial statements of the legal subsidiary (i.e. Ansarada NewCo Pty Limited, the acquirer for accounting purposes). The implications of applying AASB 3 on each of the attached Financial Statements comparatives are as follows:

### Statements of Financial Position

The Consolidated Statement of Financial Position as at 30 June 2020 represents Ansarada NewCo Pty Limited and its controlled entities only. The consolidated statement of financial position for 30 June 2021 reflects the consolidated position of Ansarada NewCo Pty Limited and its controlled entities and Ansarada Group Limited and its controlled entities.

### Consolidated Statement of Profit or Loss and other Comprehensive Income

The Consolidated Statement of Profit or Loss and other Comprehensive Income for the period from 1 July 2019 to 30 June 2020 represent the results of Ansarada NewCo Pty Limited and its controlled entities only. Those for 30 June 2021 reflect Ansarada NewCo Pty Limited and its controlled entities only for the period from 1 July 2020 to 3 December 2020, and the consolidated results of Ansarada NewCo Pty Limited and its controlled entities and Ansarada Group Limited and its controlled entities for the period from 4 December 2020 to 30 June 2021.

### Statement of Changes in Equity

The Consolidated Statement of Changes in Equity for the period from 1 July 2019 to 30 June 2020 comprises Ansarada NewCo Pty Limited and its controlled entities only. The 2020 opening retained earnings and other equity balances recognised in the consolidated entity are those of Ansarada NewCo Pty Ltd and its controlled entities before the acquisition of Ansarada Group Limited.

The profit for the year, being the results of Ansarada NewCo Pty Limited and its controlled entities only for the period from 1 July 2020 to 3 December 2020 and the consolidated results for Ansarada NewCo Pty Ltd and its controlled entities and Ansarada Group Limited and its controlled entities for the period from 4 December 2020 to 30 June 2021.



## Statement of Cash Flows

The 2020 Consolidated Statement of Cash Flows represents cash flows of Ansarada NewCo and its controlled entities only for the period 1 July 2019 to 30 June 2020. The 2021 Consolidated Statement of Cash Flows represents cash flows of Ansarada NewCo Pty Ltd and its controlled entities only for the period from 1 July 2020 to 3 December 2020 and the Consolidated Statement of Cash Flows for Ansarada NewCo Pty Limited and its controlled entities and Ansarada Group Limited and its controlled entities for the period from 4 December 2020 to 30 June 2021.

## Business overview

Following completion of the acquisition of the docyard in December 2020, Ansarada Group is a global provider of cloud-based SaaS information governance solutions. Ansarada's product is a cloud-based, artificial intelligence ("AI") powered SaaS platform for end-to-end management of material outcomes for businesses throughout their lifecycle. It provides a single interactive system for managing business events and milestones such as raising capital, M&A, post-acquisition integration, audits, asset portfolio management, tenders, governance, risk, board and compliance.

Ansarada enables businesses to monitor information sharing, align, and scorecard individuals and information against outcomes, whilst tracking workflow (via dashboards, notifications, and collaboration tools). The platform enables customers to assess how prepared their business is for an upcoming event sets out a clear pathway to adhere to in order to optimise the outcome and execute with confidence. It provides tools for good information governance, which increase productivity; enables efficiencies and better decision making; while also ensuring compliance and reducing risks across the business lifecycle.

## New Deal Workflow functionality

**Since bringing the Deal Workflow tool inside Ansarada Deals, there have been several new improvements released.**

Checklists can now be imported directly from Microsoft Excel to make it easy for dealmakers to adapt their existing Excel spreadsheets to the Deals platform, or they can be exported to share in an Excel format with external stakeholders. Digitised checklists can also now be visualised in a colourful Gantt Chart view by adding a simple date range.

## Notes to the Consolidated Financial Statements

### 1. Dividends

No dividends have been paid or declared for the financial period ended 30 June 2021 (2020: \$Nil).

### 2. Likely developments

The Directors are not aware of any significant changes in the activities of the Group in the next financial year.

### 3. Environmental regulation

The Group's operations are not regulated by any significant Commonwealth, State or Territory environmental laws or regulation.

### 4. Directors' interests

The relevant interests of each Director in the shares, debentures, interests in registered schemes and rights or options over such instruments issued by the companies within the Group and other related bodies corporate, as notified by the Directors to the ASX in accordance with S205G(1) of the Corporations Act 2001, at the date of this report are as follows:

	Ordinary shares	Options Over Ordinary Shares <sup>(1)</sup>
Stuart Clout	3,495,237	1,035,144
Peter James	146,351	946,040
Sam Riley	4,964,249	1,330,900
David Pullini	177,435	946,040

(1) Options over shares were granted on 9 December 2020.

The options are subject to a three-year vesting period and vest in three equal tranches annually from the grant date

### 5. Indemnity and insurance of officers

The Company has indemnified the Directors and executives of the Company for costs incurred, in their capacity as a Director or executive, for which they may be held personally liable, except where there is lack of good faith.

During the financial year the Company paid a premium in respect of a contract to insure the Directors and executives of the Company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

### 6. Indemnity and insurance of the auditor

The Company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor.

During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

### 7. Non-Audit services

During the year, KPMG, the Company's auditor, performed certain other services in addition to the audit and review of the financial statements. Details of the amounts paid to the auditor of the Group, KPMG, and its network firms for audit and non-audit services are provided in note 35 to the financial statements included in this report.

The Board has considered the non-audit services provided during FY21 by the auditor and is satisfied that the provision of those non-audit services during FY20 by the auditor is compatible with, and did not compromise, the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- all non-audit services were subject to the corporate governance procedures adopted by the Group and have been reviewed by the Board to ensure they do not impact the integrity and objectivity of the auditor; and





- the non-audit services provided did not undermine the general principles relating to auditor independence as set out in APES 110 *Code of Ethics for Professional Accountants*, as they did not involve reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as an advocate for the Group or jointly sharing risks and rewards.

## 8. Proceedings on behalf of the Company

No person has applied for leave of a court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the year.

## 9. Information on Directors

The qualifications, experience and responsibilities of Directors together with details of all directorships of other listed companies held by a Director in the three years to 30 June 2021 and any contracts to which the Director is a party to under which they are entitled to a benefit are outlined in the Corporate Governance Statement and form part of this report.

## 10. Remuneration Report

Information on Ansarada's remuneration framework and the outcomes for FY21 for key management personnel and the proposed framework for FY21, is included in the Remuneration Report on page 36 to 47 of this report.

## 11. Events subsequent to reporting date

There were no items, transactions or events of a material or unusual nature that, in the opinion of the Board, are likely to significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group that have arisen in the period from 30 June 2021 to the date of this report.

## 12. Officers who were previously partners of the audit firm

None of the Group's officers have been employed as partners of the Group's auditor.

## 13. Auditor

HLB Mann Judd resigned as auditors of the Company and KPMG were appointed to act as auditors in accordance with section 327 of the Corporations Act 2001.

## 14. Corporate governance

Our Corporate Governance Statement for FY21 is available on our website.

## 15. Lead auditor's independence declaration

The Lead Auditor's Independence Declaration as required under section 307c of the Corporations Act 2001, is set out on page 55 and forms part of the Directors' Report for the financial year ended 30 June 2021.

## 16. Rounding off

All amounts in the financial statements have been rounded off in accordance with ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 to the nearest one thousand dollars unless otherwise stated.

Signed in accordance with a resolution of the Directors:

Dated  
31st day of August 2021.



Samuel Riley  
Director



David Pullini  
Director

# Auditor's Independence Declaration



## Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Ansarada Group Limited

I declare that, to the best of my knowledge and belief, in relation to the audit of Ansarada Group Limited for the financial year ended 30 June 2021 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

KPMG

Caoimhe Toouli

Caoimhe Toouli

Partner

Sydney

31 August 2021



## Consolidated Statement of Profit or Loss and other Comprehensive Income

FOR THE YEAR ENDED 30 JUNE 2021

	Notes	30 June 2021 \$'000	30 June 2020 \$'000
Revenue	8	33,119	32,859
Other income	8	306	322
<b>Total revenue and other income</b>		<b>33,425</b>	<b>33,181</b>
Cost of revenue		(1,173)	(2,635)
<b>Gross profit</b>		<b>32,252</b>	<b>30,546</b>
Product design and development	10	(18,856)	(18,753)
Sales and Marketing	10	(11,908)	(11,665)
General and Administration	10	(8,797)	(9,274)
<b>Total operating expenses</b>		<b>(39,561)</b>	<b>(39,692)</b>
<b>Operating loss</b>		<b>(7,309)</b>	<b>(9,146)</b>
Finance income		9	18
Finance expense	12	(989)	(1,041)
Fair value adjustment- Convertible Notes & Warrants	12	9,072	(15,505)
<b>Net finance income/(expense)</b>		<b>8,092</b>	<b>(16,528)</b>
<b>Profit/(Loss) before income tax</b>		<b>783</b>	<b>(25,674)</b>
Income tax (expense)	15	(141)	(351)
<b>Profit/(Loss) for the year</b>		<b>642</b>	<b>(26,025)</b>
<b>Other comprehensive income</b>			
Items that may subsequently be re-classified to Profit or Loss, net of tax			
Foreign currency translation differences for foreign operations		(54)	1
<b>Total comprehensive profit/(loss) for the year</b>		<b>588</b>	<b>(26,024)</b>
		<b>Cents</b>	<b>Cents</b>
Earnings per share (EPS) attributable to owners of Ansarada Group Limited			
Basic earnings per share (cents)	14	1.06	(115.91)
Diluted earnings per share (cents)	14	1.06	(115.91)

As set out in note 36 to the Financial Statements, as a result of the acquisition of Ansarada Group Limited (formerly thedocyard Limited) ('TDY Group') and its controlled entities by Ansarada NewCo Pty Limited and its controlled entities ('Ansarada NewCo'), the comparative information for 30 June 2020 represents the results of Ansarada NewCo Pty Limited only. The Consolidated Statement of Profit or Loss and other Comprehensive Income for the period ended 30 June 2021 represents the results of Ansarada NewCo for the period from 1 July 2020 to 3 December 2020 and the consolidated results for and Ansarada NewCo and TDY Group for the period post-acquisition from 4 December 2020 to 30 June 2021.

The above Consolidated Statement of Profit or Loss and other Comprehensive Income is to be read in conjunction with the accompanying notes.

## Consolidated Statement of Financial Position

AS AT 30 JUNE 2021

	Notes	30 June 2021 \$'000	30 June 2020 \$'000
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	16	22,590	9,069
Trade and other receivables	17	4,860	2,795
Other current assets		1,703	1,341
<b>Total current assets</b>		<b>29,153</b>	<b>13,205</b>
<b>Non-current assets</b>			
Intangible assets	19	41,360	23,422
Property, plant and equipment	18	983	1,536
Right of use asset	20	6,322	2,980
Deferred tax asset	15	5,377	5,377
<b>Total non current assets</b>		<b>54,042</b>	<b>33,315</b>
<b>Total assets</b>		<b>83,195</b>	<b>46,520</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	21	(4,277)	(6,209)
Lease liabilities	23	(958)	(1,030)
Employee benefits	13	(1,403)	(1,526)
Convertible note payable	22	–	(63,866)
Warrants	22	–	(1,700)
Current tax liability		(80)	–
Deferred revenue	8	(12,872)	(7,966)
<b>Total current liabilities</b>		<b>(19,590)</b>	<b>(82,297)</b>
<b>Non-current liabilities</b>			
Lease liabilities	23	(6,145)	(2,332)
Employee benefits	13	(117)	(138)
Deferred revenue	8	(1,070)	–
Make good provisions		(288)	(293)
<b>Total non-current liabilities</b>		<b>(7,620)</b>	<b>(2,763)</b>
<b>Total liabilities</b>		<b>(27,210)</b>	<b>(85,060)</b>
<b>Net assets/(liabilities)</b>		<b>55,985</b>	<b>(38,540)</b>
<b>Equity</b>			
Contributed Equity	26	94,864	2,673
Retained losses		(39,509)	(42,101)
Reserves	27	630	888
<b>Total equity</b>		<b>55,985</b>	<b>(38,540)</b>

As set out in note 36 to the Financial Statements, as a result of the acquisition of Ansarada Group Limited (formerly thedocyard Limited) ('TDY Group') and its controlled entities by Ansarada NewCo Pty Limited and its controlled entities ('Ansarada NewCo'), the Consolidated Statement of Financial Position as at 30 June 2020 reflects the balances of Ansarada NewCo only, while the Consolidated Statement of Financial Position as at 30 June 2021 reflects the balances of the post-acquisition consolidated Group including TDY Group and Ansarada NewCo.

The above Consolidated Statement of Financial Position is to be read in conjunction with the accompanying notes.



## Consolidated Statement of Changes of Equity

AS AT 30 JUNE 2021

	Ordinary shares \$'000	Preference A shares \$'000	Share- based payment reserve \$'000	Foreign currency translation reserve \$'000	Retained Earnings \$'000	Total \$'000
<b>Balance at 1 July 2020</b>	<b>39</b>	<b>2,634</b>	<b>852</b>	<b>36</b>	<b>(42,101)</b>	<b>(38,540)</b>
<b>Total comprehensive income for the period:</b>						
Profit/(loss) for the period	-	-	-	-	642	642
Other comprehensive (loss)/income	-	-	-	-	-	-
Foreign currency translation differences for foreign operations net of tax	-	-	-	(54)	-	(54)
<b>Total comprehensive profit for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(54)</b>	<b>642</b>	<b>588</b>
<b>Transactions with owners recorded directly in equity</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Issue of ordinary shares, net of transaction costs	37,975	-	-	-	-	37,975
Equity allocated on acquisition	22,708	-	-	-	-	22,708
Conversion of Convertible Notes and Warrants to Ordinary Shares	31,494	-	-	-	-	31,494
Conversion of Pref A Shares to Ordinary Shares	2,634	(2,634)	-	-	-	-
Cancellation of legacy share option plan	-	-	(2,236)	-	2,236	-
Exercising of employee share options	14	-	-	-	-	14
Cash consideration cancelled share plan	-	-	-	-	(286)	(286)
Share-based payment expense	-	-	2,032	-	-	2,032
<b>Balance at 30 June 2021</b>	<b>94,864</b>	<b>-</b>	<b>648</b>	<b>(18)</b>	<b>(39,509)</b>	<b>55,985</b>
<b>Balance at 1 July 2019</b>	<b>0.2</b>	<b>2,234</b>	<b>283</b>	<b>35</b>	<b>(16,076)</b>	<b>(13,524)</b>
Profit/(loss) for the period	-	-	-	-	(26,025)	(26,025)
Other comprehensive (loss)/income	-	-	-	-	-	-
Foreign currency translation differences for foreign operations net of tax	-	-	-	1	-	1
<b>Total comprehensive loss for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>(26,025)</b>	<b>(26,024)</b>
Issue of ordinary shares, net of transaction costs	39	-	-	-	-	39
Share-based payment expense	-	-	569	-	-	569
Issue of Preference A shares	-	400	-	-	-	400
<b>Balance at 30 June 2020</b>	<b>39</b>	<b>2,634</b>	<b>852</b>	<b>36</b>	<b>(42,101)</b>	<b>(38,540)</b>

As set out in note 36 to the Financial Statements, as a result of the acquisition of Ansarada Group Limited (formerly thedocyard Limited) ('TDY Group') and its controlled entities by Ansarada NewCo Pty Limited and its controlled entities ('Ansarada NewCo'), the comparative information for 30 June 2020 represents results of Ansarada NewCo only. The Consolidated Statement of Changes in Equity for the period ended 30 June 2021 represents the results of Ansarada NewCo only for the period 1 July 2020 to 3 December 2020 and the consolidated results for Ansarada NewCo and TDY Group post-acquisition for the period from 4 December 2020 to 30 June 2021.

The above Consolidated Statement of Changes in Equity is to be read in conjunction with the accompanying notes.



## Consolidated Statement of Cash Flows

FOR THE YEAR ENDED 30 JUNE 2021

	Notes	30 June 2021 \$'000	30 June 2020 \$'000
<b>Cash flows from operating activities</b>			
Receipts from customers (inclusive of GST)		38,163	38,444
Payments to suppliers and employees (inclusive of GST)		(31,273)	(34,033)
Proceeds from Government grant	11	855	528
Interest received		8	18
Interest paid		–	(199)
Employee options plan		(287)	–
Business combination costs		(739)	–
Income tax paid		(178)	(137)
<b>Net cash inflow from operating activities</b>	<b>34</b>	<b>6,549</b>	<b>4,621</b>
<b>Cash flows from investing activities</b>			
Payments for property, plant and equipment		(52)	(74)
Cash acquired on acquisition of business	36	1,988	–
Proceeds from sale of property, plant and equipment		34	–
Capitalised contracts acquisition costs	19	(2,006)	–
Capitalised development costs	19	(5,069)	–
<b>Net cash (outflow) from investing activities</b>		<b>(5,105)</b>	<b>(9,281)</b>
<b>Cash flows from financing activities</b>			
Proceeds from issuance of convertible notes	22	–	13,000
Repayments of lease liabilities		(885)	(761)
Proceeds from issue of share capital, net of transaction costs	26	37,975	400
Repayment of interest-bearing liabilities and borrowings	22	(25,000)	(1,506)
<b>Net cash inflow from financing activities</b>		<b>12,090</b>	<b>11,133</b>
<b>Net increase in cash and cash equivalents</b>		<b>13,534</b>	<b>6,473</b>
Cash and cash equivalents at the beginning of the financial period		9,069	2,570
Effect of exchange differences on cash balances		(13)	26
<b>Cash and cash equivalents at end of year</b>		<b>22,590</b>	<b>9,069</b>

As set out in note 36 to the Financial Statements, as a result of the acquisition of Ansarada Group Limited (formerly thedocyard Limited) ('TDY Group') and its controlled entities by Ansarada NewCo Pty Limited and its controlled entities ('Ansarada NewCo'), the comparative information for 1 July to 30 June 2020 represents results of Ansarada NewCo only. The Consolidated Statement of Cash Flows for the period ended 30 June 2021 represents the results of Ansarada NewCo only for the period 1 July 2020 to 3 December 2020 and the consolidated cash flows for Ansarada NewCo and TDY Group for the period from 4 December 2020 to 30 June 2021.

The above Consolidated Statement of Cash Flows is to be read in conjunction with the accompanying notes.



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## Notes to the Consolidated Financial Statements (continued)

**1. Reporting entity**

Ansarada Group Limited (formerly thedocyard Limited) (the "Company") is a company limited by shares incorporated and domiciled in Australia whose shares are publicly traded on the ASX.

The Company's registered office is Level 2, 80 George Street, The Rocks NSW 2000. The Consolidated Financial Statements comprise the Company and its controlled entities (collectively the "Group" or "Ansarada" and individually "Group companies").

The Group is a for-profit entity, and its primary business is the provision of a business to business ('B2B') software as a service ('SaaS') platform for business readiness and deal execution.

All amounts in the Consolidated Financial Statements have been rounded off in accordance with ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 to the nearest one thousand dollars unless otherwise stated.

**2. Basis of preparation of full year financial statements**

These Consolidated Financial Statements for the reporting period ended 30 June 2021 are general purpose financial statements, which have been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards (AASBs) and other authoritative pronouncements of the Australian Accounting Standards Board. The Consolidated Financial Statements also comply with International Financial Reporting Standards (IFRS) and interpretations (IFRICs) adopted by the International Accounting Standards Board. They were authorised for issue by the Board of Directors on 31 August 2021.

This report is to be read in conjunction with the Annual Financial Statements for the year ended 30 June 2020 and any public announcements made by Ansarada Group Limited during the reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001 and Australian Securities Exchange Listing Rules.

The Consolidated Financial Statements have been prepared on the historical cost basis except the following items which are measured on an alternative basis at each reporting date.

Items	Measurement Basis
Share-based payments	Fair value at grant date
Convertible notes	Fair value

**3. Going concern**

The Financial Statements have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

As at 30 June 2021, the Group's net asset position was \$56.0 million (30 June 2020: \$38.5 million net liability position). The increase in the Group's net asset position has improved due to the capital raising of \$45 million, the repayment of \$25 million in relation to Convertible note holders and remaining note holders converting to ordinary shares in the Company.

There is a surplus in current assets of \$9.6 million at 30 June 2021 (30 June 2020 \$69.1 million deficit). The Company has no borrowings at 30 June 2021 and has sufficient cash to meet all committed liabilities and future expected liabilities for a period of at least 12 months from the date of signing of these financial statements.

**4. Accounting policies**

The accounting policies applied in these Consolidated Financial Statements are the same as those applied in the Group's Consolidated Financial Statements as at, and for the year ended 30 June 2020.

In April 2021, the International Financial Reporting Standards Interpretations Committee (IFRIC) issued a final agenda decision, *Configuration or customisation costs in a cloud computing arrangement*, effective immediately with retrospective application. The decision discusses whether configuration or customisation expenditure relating to cloud computing arrangement is able to be recognised as an intangible asset and if so, over what time period the expenditure is expensed. The Group has concluded that the decision has not had a material effect on the Group's consolidated financial statements for the year ended 30 June 2021.



**Notes to the Consolidated Financial Statements** (continued)

## 4. Accounting policies (continued)

**Standards on issue but not effective**

A number of new standards and amendments to standards effective for annual reporting beginning after 1 July 2020 and earlier application is permitted.

The Group has not early adopted the below standards, interpretation or amendments that has been issued but is not yet effective. The following amended standards and interpretations are not expected to have a significant impact on the Group's consolidated financial statements once applied:

- (i) Annual Improvements to IFRS Standards 2018-2020
- (ii) Reference to the Conceptual Framework (Amendments to IFRS 3)
- (iii) Classification of Liabilities as Current or Non-Current

**5. Functional and presentation currency****Functional and presentation currency**

Items included in the Consolidated Financial Statements of each Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Consolidated Financial Statements are presented in Australian dollars, which is the Company's functional and presentation currency.

**Transactions and balances**

Foreign currency transactions are translated to Australian dollars at the rates of exchange ruling at the dates of the transactions. Amounts receivable and payable in foreign currencies at balance date are translated at the rates of exchange ruling on that date. Exchange differences relating to amounts payable and receivable in foreign currencies are brought to account as exchange gains or losses in statement of Consolidated Profit or Loss and other Comprehensive Income in the financial period in which the exchange rates change.

**6. Principles of consolidation****Reverse acquisition accounting**

On 4 December 2020, Ansarada Group Limited (formerly thedocyard Limited) ('TDY Group') completed the acquisition of 100% of the share capital in Ansarada NewCo Pty Limited and its controlled subsidiaries ('Ansarada NewCo'). In accordance with accounting standards, this acquisition has been accounted for as a reverse acquisition business combination.

In applying the requirements of AASB 3 Business Combinations to the Group:

1. Ansarada Group Limited (formerly thedocyard Limited) is the legal parent entity to the Group; and
2. Ansarada NewCo Pty Limited, which is neither the legal parent nor legal acquirer, is deemed to be the accounting acquirer.

The consolidated financial information incorporated the assets and liabilities of all entities deemed to be acquired by Ansarada NewCo including TDY Group and the results of these entities from 4 December 2020, being for the period from which those entities are accounted for as being acquired by Ansarada NewCo Pty Limited. The assets and liabilities of TDY Group acquired by Ansarada NewCo were recorded at fair value whilst the assets and liabilities of Ansarada NewCo were maintained at their book value. The impact of all transactions between entities in the Group were eliminated in full. The impact on equity of treating the formation of the Group as a reverse acquisition is discussed in more detail in note 36.

AASB 3 Business Combinations requires that Consolidated Financial Statements prepared following a reverse acquisition shall be issued under the name of the legal parent (i.e., Ansarada Group Limited) but be a continuation of the financial statements of the legal subsidiary (i.e., Ansarada NewCo Pty Limited, the acquirer for accounting purposes). The implications of applying AASB 3 on each of the attached financial statements comparatives are as follows:

**Statements of financial position**

The Consolidated Statement of Financial Position as at 30 June 2020 represents Ansarada NewCo only. The Consolidated Statement of Financial Position for 30 June 2021 reflects the consolidated position of Ansarada NewCo and TDY Group.

**Statement of profit and loss other comprehensive income**

The Consolidated Statement of Profit and Other Comprehensive Income for the period 1 July 2019 to 30 June 2020 represent the results of Ansarada NewCo only. Those for 30 June 2021 reflect Ansarada NewCo only for the period from 1 July 2020 to 3 December 2020, and the consolidated results of Ansarada NewCo and TDY Group for the period from 4 December 2020 to 30 June 2021.

**Notes to the Consolidated Financial Statements** (continued)

## 6. Principles of consolidation (continued)

**Statement of changes in equity**

The Consolidated Statement of Changes in Equity for the period 1 July 2019 to 30 June 2020 comprises Ansarada NewCo only. The 1 July 2020 opening retained earnings and other equity balances recognised in the consolidated entity are those of Ansarada NewCo before the business combination, not those of TDY Group.

The profit for the year, being the results of Ansarada NewCo only for the period from 1 July 2020 to 3 December 2020 and the consolidated results for Ansarada NewCo and TDY Group for the period from 4 December 2020 to 30 June 2021.

**Statement of cash flows**

The Consolidated Statement of Cash Flows represents cash flows of Ansarada NewCo only for the period 1 July 2019 to 30 June 2020. The 30 June 2021 Consolidated Statement of Cash Flows represents cash flows of Ansarada NewCo only for the period from 1 July 2020 to 3 December 2020 and the cash flows for Ansarada NewCo and TDY Group for the period from 4 December 2020 to 30 June 2021.

**Subsidiaries included in the financial statements**

Subsidiaries are those entities over which the Company has the power, directly or indirectly, to govern the financial and operating policies of the entity. In assessing control, potential voting rights that presently are exercisable or convertible are taken into account.

The acquisition method of accounting is used to account for business combinations by the Group (refer to note 36).

The financial statements of subsidiaries are included in the Consolidated Financial Statements from the date that control of the subsidiary commences until the date that control ceases.

Inter-entity transactions, balances and unrealised gains on transactions between Group entities are eliminated.

**7. Use of judgements and estimates**

In preparing the Company's Consolidated Financial Statements, management is required to make estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities.

The resulting accounting estimates, which are based on management's best judgment at the date of the Group financial statements, will, by definition, seldom equal the related actual results. The significant judgements, estimates and assumptions made by management in the preparation of these financial statements are summarized below.

**Contract acquisition costs**

The Group capitalises incremental costs of obtaining customer contracts, in accordance with AASB 15 Revenue from Contracts with Customers. In prior year, the practical expedient which permits immediate expensing of contract acquisition costs was applied as most contracts have contract terms of 12 months or less. In the current year, all contract acquisition costs which are incremental to obtaining new revenue contracts are capitalised and amortised over the expected period of benefit, which the Group has determined based on analysis to be the duration of the contract, which is typically 12 months or less. The Group will continue to evaluate whether there have been changes in the underlying assumptions and data used to determine the amortisation period.

**Coronavirus (COVID-19)**

Management have assessed the impact of COVID-19 on the estimates and assumptions and determined there was no material impact.

**Capitalised development cost**

The Group capitalises costs (including employee costs) related to software development as intangible assets if a number of criteria are met. Management has made judgements and assumptions when assessing whether a project meets these criteria, and on measuring the costs and economic life attributed to such projects. The economic lives for intangible assets are estimated between three to five years for internal projects, which include internal use of software and internally generated software and is subject to impairment testing.





**Notes to the Consolidated Financial Statements** (continued)

## 7. Use of judgements and estimates (continued)

**Impairment testing of goodwill**

Determining whether goodwill is impaired requires judgement to allocate goodwill to CGUs and judgement and assumptions to estimate the fair value of a CGU or group of CGUs. The Group has determined that goodwill is tested at a single group of CGU level. The valuation model (being value in use model) which is used to estimate the recoverable amount of the group of CGUs, requires an estimate of the future cash flows expected to arise from the group of CGUs and a suitable discount rate in order to calculate net present value.

**Deferred tax assets**

The Group recognises a deferred tax asset in relation to a portion of its carried forward Research and Development ("R&D") credits and carried forward income tax losses based on forecasts of future profits against which those assets may be utilised, and the ability to satisfy the requirements of ownership continuity or business continuity test. The Group has material deferred tax losses which are unrecognised given the uncertainty of the timing of sufficient future profitability and the requirement for shareholder continuity to recognise those amounts.

**Business combinations**

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair value of the assets transferred by the Group;
- liabilities incurred to the former owners of the acquired business;
- equity interests issued by the Group; and
- fair value of any asset or liability resulting from a contingent consideration arrangement.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

Judgement is required to identify an accounting acquirer. In applying the guidance in AASB 3 Business combinations and given that the following two primary factors are present namely:

1. The former shareholders of the entity whose shares are acquired own the majority of shares, and control the majority of votes, in the combined entity; and
2. The management of the combined entity is drawn predominantly from the entity whose shares are acquired.

The Company, applying its judgement, has concluded that the transaction is a reverse acquisition.

Significant judgements were used to determine the fair value of the acquired net assets. Under AASB 3, business combinations are initially accounted for on a provisional basis. The acquirer retrospectively adjusts the provisional accounts recognised and also recognises assets and liabilities during the measurement period, based on new information obtained about the facts and circumstances that existed at the acquisition date.

The measurement period ends on the earlier of:

- (a) 12 months from the date of acquisition or
- (b) when the acquirer receives all the information to determine fair value.

Refer to note 36 for further information.

**8. Revenue****Accounting policy****Revenue recognition****Significant accounting policy**

Revenue is recognised in a manner that depicts the transfer of access to cloud-based SaaS platform and information governance solutions, through secure document management, workflow and collaboration tools for end-to-end management of material outcomes for businesses throughout their lifecycle. It provides a single interactive system for managing business events and milestones such as raising capital, M&A, post-acquisition integration, audits, asset portfolio management, tenders, governance, risk, board and compliance to customers over time and in some cases at a point in time in a way that reflects the consideration for which the provider of the goods or services expects to be entitled. This involves following a five-step model of revenue recognition:

**Notes to the Consolidated Financial Statements** (continued)

## 8. Revenue (continued)

- Identifying the contract with a customer
- Identifying performance obligations under the contract
- Determining the transaction price
- Allocating the transaction price to performance obligations under the contract
- Recognising revenue when it satisfies its performance obligations

The key revenue streams and the recognition principles applied by the Group are as follows:

**Platform subscription fees**

Ansarada's key source of revenue following the transformation in October 2018 is Platform subscription fees, which is recurring annual and monthly fees generated from customers who subscribe to its cloud-based SaaS Platform. These fees can either be invoiced upfront, over the subscription period or on a monthly basis. Revenue is recognised in the accounting period in which the services are rendered being the period over which access to the platform is granted. Unearned revenue at year end is recognised in the Statement of Financial Position as deferred revenue and included within other current liabilities.

**Transactional usage fees**

Transactional usage fees represents the amount billed to the customers based on the specific level of virtual data room (VDR) usage (e.g., amount of data uploaded, or pages occupied). Consideration from usage fees is recognised as revenue on a straight-line basis in the Statement of Profit or Loss and Other Comprehensive Income over the contract life.

**Other income**

Other income consists of archive fee income and other miscellaneous items.

	30 June 2021 \$'000	30 June 2020 \$'000
<b>Revenue and other income</b>		
Platform subscription fees	26,585	24,565
Transactional Usage fees	6,534	8,294
<b>Total revenue</b>	<b>33,119</b>	<b>32,859</b>
Other income	306	322
<b>Total revenue and other income</b>	<b>33,425</b>	<b>33,181</b>

**Deferred revenue**

Deferred revenue consists of Platform Subscription and Transactional Usage which are expected to be recognised on a straight-line basis over the remaining life of the contract.

	30 June 2021 \$'000	30 June 2020 \$'000
<b>Total Deferred revenue</b>		
Current deferred revenue	12,872	7,966
Non-current deferred revenue	1,070	–
<b>Total</b>	<b>13,942</b>	<b>7,966</b>

**Capitalised contract costs**

The following table provides information about receivables from contracts with customers.

	30 June 2021 \$'000	30 June 2020 \$'000
<b>Receivables which are included in Trade and other receivables</b>	<b>4,626</b>	<b>2,258</b>



## Notes to the Consolidated Financial Statements (continued)

**9. Segment information**

The Group determines and presents Operating Segments based on the information that is internally provided to the Board, CEO and CFO, who are the Group's chief operating decision makers ('CODM'). Our chief operating decision maker allocates resources and assesses financial performance based upon discrete financial information at the consolidated level. There are no segment managers who are held accountable by the chief operating decision maker, or anyone else, for operations, operating results and planning for levels or components below the consolidated unit level. Accordingly, we have determined that we operate as a single operating and reportable segment. The chief operating decision maker assesses the financial performance on the basis of a single segment.

The Company operates in one business segment, providing provision of services across information governance, board management, risk and compliance including business readiness and online deal rooms for customers via a business to business ("B2B") software ("SaaS") based platform.

Information presented to the CODM on a monthly basis is categorised by type of revenue, earnings before interest, tax, depreciation and amortisation (EBITDA) and segment profit after tax. This analysis is presented below:

	30 June 2021 \$'000	30 June 2020 \$'000
<b>Operating segment</b>		
Platform Subscription fees	26,585	24,565
Transactional Usage fees	6,534	8,294
<b>Total revenue</b>	<b>33,119</b>	<b>32,859</b>
Other income	306	322
<b>Total revenue and other income</b>	<b>33,425</b>	<b>33,181</b>
<b>EBITDA</b>	<b>3,001</b>	<b>2,707</b>
<b>Profit/ (Loss) for the year</b>	<b>642</b>	<b>(26,025)</b>

The amounts of revenue by region in the following table are based on the invoicing location of the customer. The CODM does not review or assess financial performance on a geographical basis.

**Disaggregation of revenue**

	30 June 2021 \$'000	30 June 2020 \$'000
<b>Revenue by geographic location</b>		
ANZ (Australia and New Zealand)	18,164	18,116
North America	3,667	4,087
Asia	1,537	1,705
Europe	5,237	4,660
Middle East and Africa	1,767	1,685
United Kingdom	3,053	2,928
<b>Total revenue by geographic location</b>	<b>33,425</b>	<b>33,181</b>

**Notes to the Consolidated Financial Statements** (continued)

## 9. Segment informations (continued)

**Non-current assets by geographic location**

	30 June 2021 \$'000	30 June 2020 \$'000
ANZ (Australia and New Zealand)	52,132	30,684
North America	1,903	2,585
Asia	–	–
Europe	–	–
Middle East and Africa	–	–
United Kingdom	7	46
<b>Total non-current assets by geographic location</b>	<b>54,042</b>	<b>33,315</b>

Non-current assets held in countries other than Australia amount to \$1.9 million (2020: \$2.6 million).

**10. Expenses**

The Group has presented the expense categories within the Consolidated Statement of Profit or Loss and other Comprehensive Income on a functional basis. The categories used are cost of revenues, product design and development, sales and marketing and general and administration. The methodology and the nature of costs within each category are further described below.

**Cost of revenues**

Cost of revenues consists of sales commissions and third-party fees for software used to provide product features and VDR archive expenses.

**Product design and development expenses**

Product design and development expenses consist primarily of personnel and related costs (including salaries, benefits and bonuses) directly associated with the Group's product design and development employees, as well as hosting costs, software licenses and security testing. Under AASB 138, the proportion of product design and development expenses that create a benefit in future periods is capitalisable as an intangible asset and then amortised to profit or loss over the estimated life of the asset created. The amortisation of those costs capitalised is included as a product design and development expense.

**Sales and marketing expenses**

Sales and marketing expenses consist of personnel and related costs (including salaries and other benefits) directly associated with the sales and marketing team's activities to acquire new customers and grow revenue from existing customers. Other costs included are external advertising costs, marketing costs and promotional event costs as well as allocated overheads.

**General and administration expenses**

General and administration expenses consist of personnel and related costs (including salaries, benefits, and bonuses) for the Company's executive, finance, legal, human resources and administrative employees. They also include legal, accounting, and other professional services fees, insurance premiums, other corporate expenses, and allocated expenses.

**Overhead allocation**

The presentation of the Consolidated Statement of Profit or Loss and other Comprehensive Income by function requires certain overhead costs to be allocated to functions. These allocations require management to apply judgment. The costs associated with Ansarada's facilities, internal information technology and non-product related depreciation and amortisation are allocated to each function based on respective headcount.



**Notes to the Consolidated Financial Statements** (continued)

## 10. Expenses (continued)

**Expenses by nature**

	30 June 2021 \$'000	30 June 2020 \$'000
Employee benefits	19,388	17,952
<i>Included in functional expenses as follows:</i>		
Sales and marketing expenses	7,069	6,042
Product design and development expenses	6,655	5,753
General and administration expenses	5,664	6,157
<b>Total</b>	<b>19,388</b>	<b>17,952</b>
<b>Depreciation and amortisation</b>		
<i>Relating to:</i>		
Amortisation of development costs (note 19)	9,113	7,732
Amortisation of contract acquisition assets (note 19)	1,365	–
Depreciation of property, plant and equipment (note 18)	510	681
Depreciation of leased buildings (note 23)	686	582
<b>Total Depreciation and amortisation</b>	<b>11,674</b>	<b>8,995</b>
	30 June 2021 \$'000	30 June 2020 \$'000
<i>Included in functional expenses as follows:</i>		
Sales and marketing expenses	356	71
Product design and development expenses	9,706	8,415
General and administration expenses	247	209
Cost of revenue	1,365	–
<b>Total</b>	<b>11,674</b>	<b>8,995</b>

**11. Government grants**

The Company received Government Grants in the form of Jobkeeper, which is a scheme introduced by the Australian Government to support businesses significantly affected by COVID-19. Jobkeeper payments are considered 'government grants' and accounted for under AASB 120 *Accounting for Government Grants and Disclosure of Government Assistance* because they are provided by the Government in return for compliance with conditions relating to the operating activities of the Group. The Company has complied with the conditions attached to them and paid all eligible employees under the scheme. The Company recognised the receipt of government grant income on a "net" basis against salary and wages. The total amount of jobkeeper received from the Australian Government was \$855,000 during the year (30 June 2020: \$792,000) and recognised under operating activities in the consolidated statement of cash flow. The Company exited the Jobkeeper scheme as at 30 September 2020 and no longer receives any Government Grant.

	30 June 2021 \$'000	30 June 2020 \$'000
Government grant income – recognised in operating expenses	855	792



## Notes to the Consolidated Financial Statements (continued)

**12. Finance expense**

Finance costs are recognised as an expense when they are incurred.

	30 June 2021 \$'000	30 June 2020 \$'000
<i>Finance expense</i>		
Interest expense - bank	(189)	(200)
Interest expense – lease liability	(265)	(122)
Establishment Fee – Convertible note	–	(701)
Net foreign exchange (loss)	(68)	(18)
Transaction costs – acquisition	(467)	–
<b>Total Finance expense</b>	<b>(989)</b>	<b>(1,041)</b>
<i>Fair Value Adjustment</i>		
Convertible Note (Note 22)	8,520	(13,786)
Warrants (Note 22)	552	(1,719)
<b>Fair value adjustment</b>	<b>9,072</b>	<b>(15,505)</b>

**13. Employee benefits****Short term employee benefits**

Short-term liabilities are recognised for benefits accruing to employees in respect of wages and salaries, sales commissions and bonuses and annual leave when it is probable that settlement will be required, and they are capable of being measured reliably.

Liabilities recognised in respect of short-term employee benefits, are measured at their nominal values using the remuneration rate expected to apply at the time of settlement, including related on-costs, and where appropriate discounted to present value.

**Defined contribution superannuation funds**

The Company makes contributions to various defined contribution superannuation and pension plans. The Company has no further payment obligation once the contributions have been made. The contributions are recognised as expenses when they become payable.

**Long service leave**

Ansarada's net obligation in respect of long-term service benefits is the amount of future benefits that employees have earned in return for their service in the current and prior periods. That benefit is calculated using expected future increases in wage and salary rates including related on-costs and expected settlement dates, and is discounted using the rates attached to the Australian Corporate Bonds as generated in the Milliman report that have maturity dates approximating the terms of Ansarada's obligations. Long service leave is classified as current where the leave has vested, or will vest within the next 12 months, in accordance with the relevant legislation under which the employee operates.

	30 June 2021 \$'000	30 June 2020 \$'000
<b>Current</b>		
Annual leave	1,167	1,299
Long-service leave	236	227
<b>Total</b>	<b>1,403</b>	<b>1,526</b>
<b>Non-Current</b>		
Long-service leave	117	138
<b>Total employee benefits</b>	<b>1,520</b>	<b>1,664</b>



## Notes to the Consolidated Financial Statements (continued)

**14. Earnings per share (EPS)**

The calculation of basic EPS for the year ended 30 June 2021 was based on the profit attributable to ordinary shareholders of \$0.6 million (June 2020: \$26.0 million loss) and a weighted average number of ordinary shares outstanding of 60,571,928 (June 2020: 22,452,700).

The Group presents basic and diluted earnings per share (EPS) for its ordinary shares.

**Calculation of earnings per share****Basic earnings per share**

Basic EPS is calculated by dividing the net profit/(loss) attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares on issue during the year.

**Diluted earnings per share**

Diluted EPS is determined by adjusting the net profit/(loss) attributable to ordinary shareholders and the weighted average of ordinary shares on issue for the effects of all potential dilution of ordinary shares. Instruments are only treated as dilutive when their conversion to ordinary shares would decrease EPS or increase the loss per share.

	30 June 2021 Cents	30 June 2020 Cents
<b>(a) Basic earnings per share</b>		
Total earnings per share from continuing operations attributable to ordinary equity holders of the Company	1.06	(115.91)
<b>(b) Diluted earnings per share</b>		
Total diluted earnings per share from continuing operations attributable to ordinary equity holders of the Company	1.06	(115.91)
<b>(c) Reconciliation of earnings used in calculating earnings per share</b>		
Net profit/(loss) for the year from continuing operations attributable to the ordinary equity holders of the Company		
Basic and diluted earnings	642	(26,024)
<b>(d) Weighted average number of shares used as the denominator</b>		
Weighted average number of shares used as the denominator in calculating basic earnings per share		
Basic earnings per share	60,571,928	22,452,700
Diluted earnings per share	60,598,705	22,452,700

In accordance with guidance provided in AASB 3 *Business Combinations*, the weighted average number of shares outstanding has been calculated as follows:

- For the period from 1 July 2020 to 3 December 2020, the weighted average number of ordinary shares, preference shares and warrants issued by Ansarada NewCo, adjusted using a conversion factor which was determined by using the number of shares issued to Ansarada NewCo as part of the acquisition. For the period 4 December 2020 to 30 June 2021, the weighted average number on the number of ordinary shares issued by the consolidated group of Ansarada NewCo and TDY Group, being 88,711,317 ordinary shares. The diluted earnings per share is calculated on the weighted average of 88,711,317 ordinary shares including 46,476 share options.
- For the year ended 30 June 2020, the weighted average of the ordinary shares, preference shares and warrants issued by Ansarada NewCo, adjusted using a conversion factor which was determined by using the number of shares issued to Ansarada NewCo as part of the acquisition.

## Notes to the Consolidated Financial Statements (continued)

**15. Current and deferred income tax****Tax consolidation**

Ansarada Group Limited is the head entity of the tax consolidated group comprising of all the Australian wholly owned subsidiaries being Ansarada NewCo Pty Limited, Lockbox Technologies Pty Limited, Ansarada Subco Pty Limited and Ansarada International Pty Limited.

The tax consolidated group has entered into a tax sharing and tax funding agreement that requires wholly owned subsidiaries to make or receive contributions to or from the head entity for:

- deferred tax balances recognised on implementation date, including the impact of any relevant reset cost bases; and
- current tax assets and liabilities and deferred tax balances arising from external transactions occurring after the implementation of tax consolidation.

Under the tax sharing and funding agreement, the calculations are calculated on a "stand alone basis" so that the contributions are equivalent to the tax balances generated by external transactions entered into by wholly owned subsidiaries. The contributions are payable as set out in the agreement and reflect the timing of the entity's obligations to make payments for tax liabilities to the relevant tax authorities. The assets and liabilities arising under the tax sharing and funding agreement are recognised as inter-company assets and liabilities with a consequential adjustment to income tax expense/(benefit).

In the opinion of the Directors, the tax sharing and funding agreement is also a valid agreement under the tax consolidation legislation and limits the joint and several liability of the wholly owned entities in the case of a default by Ansarada Group Limited.

Any current tax liabilities (or assets) and deferred tax assets arising from unused tax losses of the subsidiaries are assumed by the head entity in the tax consolidated group and are recognised as amounts payable/(receivable) to/(from) other entities in the tax consolidated group in conjunction with any tax funding arrangement amounts. Any differences between these amounts is recognised by the Consolidated entity as an equity contribution or distribution.

The consolidated entity recognises deferred tax assets arising from unused tax losses of the tax consolidated group to the extent that it is probable that future taxable profits of the tax consolidated group will be available against which the asset can be utilised.

During the period under review Ansarada NewCo Pty Ltd, the accounting parent, joined the, Ansarada Group Limited's tax consolidated group. The Allocable cost amounts (ACA) for the assets and liabilities of Ansarada NewCo Pty Ltd, which are separate from the Purchase Price Allocation required for accounting purposes, have been determined and amounted to an uplift of \$ 87,660,193 for tax purposes made up as follows:

<b>Reset Assets</b>	<b>Step-up/(down) \$'000</b>
Fixed assets	(15)
Intangible assets	33,390
Capital works (Division 43)	(50)
Inventory	(2)
Investment in foreign subsidiaries	2,204
Goodwill of Australian consolidated group	52,133
<b>Total Step-up in Tax Base</b>	<b>87,660</b>

Although some of the above may result in temporary deductible or assessable difference, due to the deferred tax asset previously recognised, no additional deferred taxation asset has been recognised on qualifying, due to the recognition criteria not been met.

As an income tax consolidated group, Ansarada Group Limited ('Group') and its wholly owned Australian tax resident subsidiaries are treated as a single entity for income tax purposes. As a result, Group is responsible for lodging a single Australian consolidated income tax return, maintaining a single franking account and paying income tax instalments on behalf of the group. Further, as the tax consolidated group is viewed as a single entity, intra-group transactions and membership interests of subsidiary members are generally ignored for Australian income tax purposes.



**Notes to the Consolidated Financial Statements** (continued)

## 15. Current and deferred income tax (continued)

The income tax expense (benefit) for the period is the tax payable on the current period's taxable income (or loss) based on the income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

**Deferred income tax**

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability is settled.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. The Company recognised a net deferred tax asset of \$5.4 million, after assessing passing the Continuity of Ownership and the Similar Business test as at the reporting date and in the future. Also, the Company has assessed the probability that it will be able to offset this tax asset against future taxable profits.

**Unrecognised temporary differences**

The Company has elected to defer recognition of tax losses of approximately \$63.8 million in relation to the current financial year (2020: \$11.4 million). The current tax losses can be deducted from taxable income in future periods if the Company continues to pass the Continuity of Ownership and the similar business test. The Company has concluded that due to the tax asset already recognised on the Consolidated Statement of Financial Position which will be utilised against future assessed future profits, it is not appropriate to increase its recognised deferred tax asset (DTA) on additional temporary differences until these losses have been recognised against future taxable profits, or the recognition criteria of AASB 112 is met. At the end of each reporting period, the Company reviews its tax assets to determine the probability that it will be able to offset this tax asset against future taxable profits. If any such indication exists, that the tax asset recognised is not recoverable, the Company will not recognise additional tax losses and write down current tax asset to reflect the recoverable amount.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the parent entity is able to control the timing of the reversal of the temporary differences, and it is probable that the differences will not reverse in the foreseeable future.

	30 June 2021 \$'000	30 June 2020 \$'000
<b>Income tax expense</b>		
Current tax expenses	141	351
Deferred tax expense/ (benefit)	–	–
<b>Total</b>	<b>141</b>	<b>351</b>
	30 June 2021 \$'000	30 June 2020 \$'000
<b>Profit/(Loss) before income tax expense</b>	<b>783</b>	<b>(23,716)</b>
Tax at the Australian tax rate of 26% (2020: 27.5%)	204	(6,522)
Effects of tax rate in foreign jurisdictions	141	351
<b>Tax effect of:</b>		
Non-deductible (benefit)/expenses	(1,905)	3,373
Change in tax rate	295	–
Adjustment to current tax for overs/under from prior year	(46)	–
Tax incentives	–	(305)
Net deferred and development expense deferred	–	305
Losses not recognised in current year	1,452	3,149
<b>Total</b>	<b>141</b>	<b>351</b>

## Notes to the Consolidated Financial Statements (continued)

## 15. Current and deferred income tax (continued)

## (a) Movement in deferred tax balances

	Balance 1 July 2020 \$'000	Recognised in statement of Profit and loss \$'000	Balance 30 June 2021 \$'000	Assets \$'000	Liabilities \$'000
<b>2021</b>					
Property, plant and equipment	103	71	174	174	–
Intangible assets	(5,537)	(199)	(5,736)	–	(5,736)
Employee benefits <sup>1</sup>	442	(56)	386	386	–
Prepayments	(1)	(242)	(243)	–	(243)
R&D credits	5,096	305	5,401	5,401	–
IFRS leases <sup>2</sup>	50	129	179	179	–
Unearned revenue	–	3,634	3,634	3,634	–
Contract acquisition costs	–	183	183	183	–
Other items	(250)	725	475	475	–
Black hole sec 40-880	–	38	38	38	–
Tax losses	5,474	(4,588)	886	886	–
<b>Net tax assets/ (liabilities)</b>	<b>5,377</b>	<b>–</b>	<b>5,377</b>	<b>11,356</b>	<b>(5,979)</b>

<sup>1</sup> Employee benefits is the combination of annual leave and long service leave from prior year.

<sup>2</sup> IFRS lease is the combination of right of use asset and lease liability from prior year.

	Balance 1 July 2019 \$'000	Recognised in statement of Profit and loss \$'000	Balance 30 June 2020 \$'000	Assets \$'000	Liabilities \$'000
<b>2020</b>					
Property, plant and equipment	(3)	106	103	213	(110)
Intangible assets	(5,832)	295	(5,537)	–	(5,537)
Annual leave	288	53	341	341	–
Long service leave	98	3	101	101	–
Prepayments	(4)	3	(1)	–	(1)
R&D credits	5,096	–	5,096	5,096	–
Right of use asset	–	(724)	(724)	–	(724)
Lease liability	–	774	774	774	–
Other items	260	(510)	(250)	–	(250)
Tax losses	5,474	–	5,474	5,474	–
<b>Tax Assets/(Liabilities)</b>	<b>5,377</b>	<b>–</b>	<b>5,377</b>	<b>11,999</b>	<b>(6,622)</b>

## (b) Franking credit balance

	30 June 2021 \$'000	30 June 2020 \$'000
<b>Franking account balance at the end of the financial year</b>	<b>1,813</b>	<b>1,813</b>





## Notes to the Consolidated Financial Statements (continued)

**16. Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and on hand, and short-term deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

	30 June 2021 \$'000	30 June 2020 \$'000
Cash at bank and on hand	22,590	9,069

**17. Trade and other receivables****Trade receivables**

Trade and other receivables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method, net of allowances for expected credit losses. Trade receivables generally have settlement terms of 30 days and are therefore classified as current. The right to receive consideration is unconditional.

**Impairment**

Collectability of trade receivables is reviewed on a portfolio basis on an ongoing basis in accordance with AASB 9 Financial Instruments. The group applies the expected credit loss model to trade receivables on a portfolio basis and have increased the probability of customers delaying payment or being unable to pay due to the Coronavirus (COVID-19) pandemic.

Receivables that are known to be uncollectable are written off. An additional allowance for impairment is established when there is objective evidence that Ansarada will not be able to collect all amounts due in addition to the expected credit loss provision.

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 180 days overdue) are considered indicators that the trade receivable is impaired. Cash flows relating to short-term receivables are not discounted.

	30 June 2021 \$'000	30 June 2020 \$'000
Trade receivables	4,814	2,395
Provision for impairment of receivables	(188)	(137)
Trade receivables (net of provision for impairment)	4,626	2,258
Supplier deposits and other receivables	234	537
<b>Total trade and other receivables</b>	<b>4,860</b>	<b>2,795</b>

**18. Property, plant and equipment****Cost recognition**

Items of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

Subsequent costs of replacing a component of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to Ansarada, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised.

**Depreciation**

Items of property, plant and equipment, including buildings and leasehold property but excluding freehold land, are depreciated on a straight line basis over their estimated useful lives. Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately. Leased assets are depreciated over the shorter of the lease term and their useful lives.

Depreciation methods and useful lives, as well as residual values, are reassessed annually.

The Group classifies items of property, plant and equipment into three major categories. The table below sets out a description of the type of assets within each category and the useful lives applied to each category:

## Notes to the Consolidated Financial Statements (continued)

## 18. Property, plant and equipment (continued)

Asset class	Estimated useful life
Computer equipment	3 years
Furniture	3–10 years
Leasehold improvements	5–10 years

**Impairment testing of tangible assets**

At the end of each reporting period, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The Group is managed as one collective CGU, which reflects the lowest level of management of the groups of assets and the synergies of the business groupings. When an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

2021	Computer equipment \$'000	Furniture \$'000	Leasehold improvements \$'000	Total \$'000
<b>Cost</b>				
Opening balance	1,507	1,719	3,449	6,675
Additions	52	–	–	52
Disposals	(132)	(10)	–	(142)
Foreign currency translation	(10)	(17)	(158)	(185)
<b>Closing balance</b>	<b>1,417</b>	<b>1,692</b>	<b>3,291</b>	<b>6,400</b>
<b>Accumulated depreciation</b>				
Opening balance	(1,245)	(1,519)	(2,375)	(5,139)
Depreciation	(203)	(108)	(199)	(510)
Disposals	130	10	–	140
Foreign currency translation	8	11	73	92
<b>Closing balance</b>	<b>(1,310)</b>	<b>(1,606)</b>	<b>(2,501)</b>	<b>(5,417)</b>
<b>Carrying amounts</b>				
<b>At 30 June 2020</b>	<b>262</b>	<b>200</b>	<b>1,074</b>	<b>1,536</b>
<b>At 30 June 2021</b>	<b>107</b>	<b>86</b>	<b>790</b>	<b>983</b>
<b>2020</b>				
<b>Cost</b>				
Opening balance	1,474	1,779	3,461	6,714
Additions	49	–	–	49
Disposals	(17)	(64)	(49)	(130)
Foreign currency translation	1	4	37	42
<b>Closing balance</b>	<b>1,507</b>	<b>1,719</b>	<b>3,449</b>	<b>6,675</b>



**Notes to the Consolidated Financial Statements** (continued)

## 18. Property, plant and equipment (continued)

<b>Accumulated depreciation</b>				
Opening balance	(988)	(1,379)	(2,117)	(4,484)
Depreciation	(261)	(168)	(252)	(681)
Disposals	5	30	8	43
Foreign currency translation	(1)	(2)	(14)	(17)
<b>Closing balance</b>	<b>(1,245)</b>	<b>(1,519)</b>	<b>(2,375)</b>	<b>(5,139)</b>
<b>Carrying amounts</b>				
<b>At 30 June 2019</b>	<b>486</b>	<b>400</b>	<b>1,344</b>	<b>2,230</b>
<b>At 30 June 2020</b>	<b>262</b>	<b>200</b>	<b>1,074</b>	<b>1,536</b>

**19. Intangible assets****Software development - internally generated intangible assets**

Costs that are directly associated with the development of software are recognised as intangible assets where the following criteria are met:

- it is probable that the project will be a success considering its commercial and technical feasibility;
- the ability to use or sell the asset;
- the intention to complete the development and use or sell it;
- it can be demonstrated how the software product will generate probable future economic benefits;
- the availability of sufficient resources to complete the development and to use or sell the asset; and
- the ability to measure reliably the costs attributable to the development

The amount initially recognised for internally generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Other development expenditure that does not meet the above criteria is recognised as an expense as incurred. Development costs previously recognised as expenses are not recognised as assets in a subsequent period. Research costs and costs associated with maintenance are recognised as an expense as incurred.

Subsequent to initial recognition, internally generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

**Contract acquisition costs**

The Group capitalises incremental costs of obtaining customer contracts, in accordance with AASB 15 Revenue from Contracts with Customers. In prior year, the practical expedient which permits immediate expensing of contract acquisition costs was applied as most contracts have contract terms of 12 months or less. In the current year, all contract acquisition costs which are incremental to obtaining new revenue contracts are capitalised and amortised over the expected period of benefit, which the Group has determined based on analysis to be the duration of the contract, which is typically 12 months or less. Capitalisable costs consist of sales commissions that have a direct relationship to new revenue contracts obtained. Capitalised costs are amortised to costs of revenue in the Consolidated Statement of Profit or Loss and other Comprehensive income.

**Useful lives of intangible assets**

The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

With the exception of goodwill, the estimated useful life of the Group's intangible assets are assessed to be finite. Assets with finite lives are amortised over their useful lives and tested for impairment whenever there are indicators that the assets may be impaired.

Amortisation is recognised in the Consolidated Statement of Profit or Loss and other Comprehensive Income on a straight-line basis over the estimated useful life of the intangible asset, from the date it is available for use.

**Notes to the Consolidated Financial Statements** (continued)

## 19. Intangible assets (continued)

The estimated useful lives are set out in the table below:

Class of intangible asset	Estimated useful life
Software – Platform	3–5 years
Mobile applications	1–4 years
Contract acquisition costs	1–3 years

**Impairment considerations**

At each reporting date, the Group assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the Group makes a formal estimate of the recoverable amount. Where the carrying value of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

The recoverable amount is the greater of fair value less costs to sell or the asset's value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows.

An impairment is recorded if its recoverable amount is less than its carrying amount. The recoverable amount is the higher of fair value less cost to disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate.

**Goodwill and goodwill impairment testing**

Goodwill represents the excess of purchase consideration over the fair value of net assets acquired in a business combination. Goodwill is carried at cost less accumulated impairment losses and is tested for impairment annually or more frequently, if events or changes in circumstances indicate that it might be impaired.

For the purpose of impairment testing, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash generating units). Goodwill is allocated to cash generating units (CGUs), or groups of CGUs, expected to benefit from synergies of the business combination.

The Company's goodwill at 30 June 2021 relates solely to the acquisition of Ansarada Group Limited. The Ansarada Group Limited was acquired with the intention of delivering benefits of revenue growth and synergy to the group. The lowest level within the group for which information about goodwill is monitored for internal management purposes is the consolidated Group which comprises a group of CGUs. The Group has determined that goodwill is tested at a single group of CGU level.

The recoverable amount of the Company CGU was calculated on the basis of value in use using a discounted cash flow model. Future cash flows were projected for 5 years for Ansarada Group Limited, with key assumptions being CGU earnings which is based on expected future performance indicators of the CGU.

**Key assumption**

Key assumptions used in the value in use approach to test for impairment relate to the discount rate and the medium-term and long-term growth rates applied to projected cash flows. A VIU model is sensitive to the following inputs:

**Discount rate**

The discount rates used in the discounted cash flow model reflect the Group's estimate of the time value of money and risks specific to the Company CGU. Discount rates are based on the Group's weighted average cost of capital (WACC), adjusted for market risk and specific risk factors. The post-tax discount rate is 11.5%.

**Projected cash flows**

The projected cash flows are derived from 2021 actual results and 2022 to 2026 financial projections approved by the Board. This reflects the best estimate of the of the CGU group cash flows at the time of this report. Projected cash flows can differ from future actual cash flows and results of operations.

**Long-term growth rate into perpetuity**

Long-term growth rate of 2.5% is used into perpetuity, based on the expected long-range growth rate for the industry.



**Notes to the Consolidated Financial Statements** (continued)

## 19. Intangible assets (continued)

**Sensitivity range for impairment testing assumptions**

As at 30 June 2021, management has identified that for the carrying amount to exceed the recoverable amount the discount rate would need to increase to 17.91%.

No impairment arose as a result of goodwill impairment testing for the period ended 30 June 2021.

<b>2021</b>	<b>Software Platform \$'000</b>	<b>Mobile Applications \$'000</b>	<b>Capital WIP \$'000</b>	<b>Goodwill \$'000</b>	<b>Contract Acquisition Costs \$'000</b>	<b>Total \$'000</b>
<b>Cost</b>						
Opening balance	46,899	1,044	5,256	–	–	53,199
Additions	4,797	–	272	–	2,006	7,075
Reclassification	2,255	–	(2,255)	–	–	–
Disposal <sup>1</sup>	–	–	(2,969)	–	–	(2,969)
Acquired via Business combination <sup>2</sup>	4,151	–	–	17,223	–	21,374
<b>Closing balance</b>	<b>58,102</b>	<b>1,044</b>	<b>304</b>	<b>17,223</b>	<b>2,006</b>	<b>78,679</b>
<b>Accumulated amortisation and impairment losses</b>						
Opening balance	(26,175)	(633)	(2,969)	–	–	(29,777)
Amortisation	(8,898)	(215)	–	–	(1,365)	(10,478)
Impairment	–	–	(33)	–	–	(33)
Disposal <sup>1</sup>	–	–	2,969	–	–	2,969
<b>Closing balance</b>	<b>(35,073)</b>	<b>(848)</b>	<b>(33)</b>	<b>–</b>	<b>(1,365)</b>	<b>(37,319)</b>
<b>Carrying amounts</b>						
<b>At 30 June 2020</b>	<b>20,724</b>	<b>411</b>	<b>2,287</b>	<b>–</b>	<b>–</b>	<b>23,422</b>
<b>At 30 June 2021</b>	<b>23,029</b>	<b>196</b>	<b>271</b>	<b>17,223</b>	<b>641</b>	<b>41,360</b>

<sup>1</sup> The disposal of capital WIP is in relation to assets which were impaired in FY20.

<sup>2</sup> The addition of software platform relates to the fair value of the acquired intangibles on the acquisition of the Ansarada Group Limited. The additions to goodwill are also attributable to the acquisition of Ansarada Group Limited.

<b>2020</b>	<b>Software Platform \$'000</b>	<b>Mobile Applications \$'000</b>	<b>Capital WIP \$'000</b>	<b>Total \$'000</b>
<b>Cost</b>				
Opening balance	37,580	1,044	5,368	43,992
Additions	8,332	–	875	9,207
Reclassification	987	–	(987)	–
<b>Closing balance</b>	<b>46,899</b>	<b>1,044</b>	<b>5,256</b>	<b>53,199</b>
<b>Accumulated amortization and impairment losses</b>				
Opening balance	(18,678)	(398)	(274)	(19,350)
Amortisation	(7,497)	(235)	–	(7,732)
Impairment	–	–	(2,695)	(2,695)
<b>Closing balance</b>	<b>(26,175)</b>	<b>(633)</b>	<b>(2,969)</b>	<b>(29,777)</b>
<b>Carrying amounts</b>				
<b>At 30 June 2019</b>	<b>18,902</b>	<b>646</b>	<b>5,094</b>	<b>24,642</b>
<b>At 30 June 2020</b>	<b>20,724</b>	<b>411</b>	<b>2,287</b>	<b>23,422</b>

## Notes to the Consolidated Financial Statements (continued)

**20. Right-of-use assets**

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group.

**Non-current assets**

	30 June 2021 \$'000	30 June 2020 \$'000
<b>Right-of-use assets (buildings)</b>	<b>6,322</b>	<b>2,980</b>

**Reconciliations**

Reconciliations of the written down values at the beginning and end of the current financial period are set out below:

	30 June 2021 \$'000	30 June 2020 \$'000
Opening balance at 1 July 2020	2,980	3,836
Additions <sup>1</sup>	4,524	–
Depreciation expense	(1,060)	(892)
Foreign exchange adjustment	(122)	36
<b>Closing balance</b>	<b>6,322</b>	<b>2,980</b>

<sup>1</sup> In September 2020, the Company agreed to a 5-year extension of its current lease at Level 2, 80 George Street, The Rocks, NSW 2000 to terminate on 30 November 2027. As part of the agreement, a deed of surrender was agreed for a new lease at 70 George Street, The Rocks, NSW 2000, which commenced in September 2020. The total surrender payment is \$1.5 million, which is payable over 7 years payable on and from 1 June 2021. The surrender payment has been included in the variation lease agreement for Level 2, 80 George Street, The Rocks, NSW 2000, which is Ansarada's current head office space.

**21. Trade and other payables**

Trade and other payables are stated at their amortised cost and are non-interest bearing. Trade payables are normally settled within 30 days. The carrying amount of trade payables approximates net fair value.

	30 June 2021 \$'000	30 June 2020 \$'000
Trade payables	2,293	1,163
Sundry payables and accrued expenses	694	4,637
Accrued employee costs	1,290	409
<b>Total trade and other payables</b>	<b>4,277</b>	<b>6,209</b>

Information about the Group's exposure to currency and liquidity risk is included in Note 25.





## Notes to the Consolidated Financial Statements (continued)

**22. Convertible notes payable and warrants**

	30 June 2021 \$'000
Opening carrying amount of Convertible notes and warrants	65,566
Repayment of Convertible note holders	(25,000)
Conversion of Convertible notes to Ordinary Shares	(30,346)
Conversion of Warrants to Ordinary Shares	(1,148)
Fair value adjustment of Convertible note	(8,520)
Fair value adjustment of Warrants	(552)
<b>Carrying amount of convertible notes liability and warrants</b>	<b>-</b>

As part of the Merger/Acquisition Implementation Deed and Sale Deed, the Company raised \$45 million from the issue of new shares. The Company repaid \$25 million to Ansarada NewCo Pty Limited Convertible noteholders from the proceeds of funds. Convertible Noteholders who have elected to receive consideration shares for their existing warrants and principal sum invested have a conversion equity rollover converting to approximately \$31.5 million. The convertible notes and warrants were remeasured to fair value immediately prior to the repayment and conversion of Convertible Noteholders, this resulted in a fair value adjustment of \$8.5 million in relation to the conversion of the Convertible notes and \$0.5 million for the conversion of warrants being released to the Consolidated Statement of profit and loss and other comprehensive income.

**23. Lease liabilities**

	30 June 2021 \$'000	30 June 2020 \$'000
<b>Balance as at 1 July</b>	3,362	3,963
Leases entered into during the period	-	-
Additions (Note 20)	4,524	-
Deferred Lease agreement adjustment	(29)	-
Principal Repayments	(885)	(761)
Interest expense	265	122
Foreign exchange adjustment	(134)	38
<b>Lease Liability recognised as at 30 June</b>	<b>7,103</b>	<b>3,362</b>

	30 June 2021 \$'000	30 June 2020 \$'000
Current lease liability	958	1,030
Non-current lease liability	6,145	2,332
<b>Total</b>	<b>7,103</b>	<b>3,362</b>

Amount recognised in Consolidated Statement of Profit and Loss and Other Comprehensive Income.

	30 June 2021 \$'000	30 June 2020 \$'000
Depreciation of leased buildings	1,060	892
Less capitalised depreciation of leased building	(374)	(310)
<b>Total</b>	<b>686</b>	<b>582</b>

Under AASB 16: Leases the Group is required to recognise lease contracts identified as containing a lease, except when the lease is for 12 months or less or the underlying asset is of low value.

Lease liabilities are initially measured at the present value of the remaining lease payments, discounted at the Group's incremental borrowing rate. Subsequently, the carrying value of the liability is adjusted to reflect interest and lease payments made. Lease liabilities may be re-measured when there is a change in future lease payments arising from a change in an index or market rate, or if there is a change in the Group's estimate of the amount expected to be payable.

## Notes to the Consolidated Financial Statements (continued)

**24. Contingent assets and contingent liabilities**

There were no contingent assets or liabilities that have been incurred by the Group in relation to 30 June 2021 (30 June 2020: nil).

**25. Financial instruments – Fair values and risk management****(a) Fair values**

The following information notes the reliability of the inputs used in determining the fair value of financial assets and liabilities carried at fair value. The three levels in the hierarchy reflect the level of independent observable market data used in determining the fair values and are defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical instruments.
- Level 2: other valuation methods for which all inputs that have a significant impact on fair value are observable, either directly (as prices) or indirectly (derived from prices).
- Level 3: one or more key inputs for the instrument are not based on observable market data (unobservable inputs).

All assets and liabilities carrying value is aligned to their fair value, with the exception of convertible notes.

**Accounting classifications and fair values**

The fair value of financial assets and liabilities, together with the carrying amounts shown in the statement of financial position are as follows:

	Accounting classification	30 June 2021 \$'000		30 June 2020 \$'000	
		Carrying amount	Fair value	Carrying amount	Fair value
Trade and other receivables	Amortised cost	4,860	4,860	2,795	2,795
Cash and cash equivalents	Amortised cost	22,590	22,590	9,069	9,069
Trade and other payables	Amortised cost	(4,277)	(4,277)	(6,209)	(6,209)
Convertible note payable	FVTPL	–	–	(63,886)	(63,886)

**(b) Financial risk management**

The Group has exposure to the following risks arising from financial instruments:

- credit risk
- liquidity risk
- market risk

**Risk Management framework**

The Company's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors is responsible for developing and monitoring the Group's risk management policies.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits.

Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Board of Directors oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

**(i) Credit risk**

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables from customers.

The carrying amount of financial assets, being cash and cash equivalents and trade and other receivables represents the maximum credit exposure.



**Notes to the Consolidated Financial Statements** (continued)

## 25. Financial instruments – Fair values and risk management (continued)

**Trade and other receivables**

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate.

In monitoring customer credit risk, customers are grouped according to their credit characteristics including whether they are a legal entity, their geographic location, industry, and existence of previous financial difficulties.

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provision for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statement.

At 30 June 2021, the ageing of trade receivables that were not impaired was as follows:

	2021 \$'000	2020 \$'000
Not past due	3,537	1,739
Past due 1 – 30 days	664	326
Past due 31 – 90 days	188	275
Past due 91 – 120 days	425	55
<b>Total</b>	<b>4,814</b>	<b>2,395</b>

Management believes that the unimpaired amounts that are past due by more than 30 days are still collectible in full, based on historic payment behaviour and extensive analysis of customer credit risk, including underlying customers' credit ratings if they are available.

**(ii) Liquidity Risk**

Liquidity risk is the risk that the consolidated entity may not be able to meet its financial obligations as they fall due. The Group's approach to liquidity is to ensure that as far as possible, it will always have sufficient liquidity to meet liabilities when due, under both normal and stressed conditions, without incurring unreasonable costs or risking damage to the Consolidated entity's reputation.

The Group actively monitors cash flow requirements and optimizes its returns on investments to manage liquidity risk. Typically, the consolidated entity ensures that it has sufficient cash or available debt facilities to meet expected operational expenses for a period of 12 to 18 months, including the servicing of any financial obligations.

	Contractual cash flow				
	Carrying amount \$'000	Total \$'000	Less than 1 year \$'000	1–5 years \$'000	5 + years \$'000
<b>2021</b>					
<b>Financial liabilities</b>					
Trade and other payables	4,277	4,277	4,277	–	–
Current tax liability	80	80	80	–	–
Lease liability	7,103	8,111	1,235	6,410	466
Convertible note	–	–	–	–	–
<b>Total</b>	<b>11,460</b>	<b>12,468</b>	<b>5,592</b>	<b>6,410</b>	<b>466</b>

## Notes to the Consolidated Financial Statements (continued)

## 25. Financial instruments – Fair values and risk management (continued)

2020	Contractual cash flow				
	Carrying amount \$'000	Total \$'000	Less than 1 year \$'000	1–5 years \$'000	5 + years \$'000
<b>Financial liabilities</b>					
Trade and other payables	6,209	6,209	6,209	–	–
Bank loan	–	–	–	–	–
Lease liability	3,362	3,500	1,098	2,402	–
Convertible note	63,886	65,795	65,795	–	–
<b>Total</b>	<b>73,457</b>	<b>75,504</b>	<b>73,102</b>	<b>2,402</b>	<b>–</b>

**(iii) Market risk**

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

**Currency risk**

The Group is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated and the respective functional currencies of Group companies. The functional currency of the Group is the Australian dollar (AUD). The currencies in which transactions are primarily denominated are AUD, US dollars ("USD"), pounds sterling ("GBP"), Euros ("EUR") and South African Rand ("ZAR").

The Company's reporting currency is Australian dollars. However, the international operations give rise to an exposure to changes in foreign exchange rates as the majority of its revenue from outside of Australia is denominated in currencies other than Australian dollars, most significantly US dollars ("USD"), Pounds Sterling ("GBP"), Euros ("EUR") and South African Rand ("ZAR").

A reasonably possible strengthening (weakening) of the US dollar, Pound Sterling, Euro and South African Rand against all other currencies at 30 June 2021 would have affected the measurement of financial instruments denominated in a foreign currency and affected profit or loss and equity by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

**Exposure to currency risk**

The summary quantitative data about the Group's exposure to currency is as follows (the amounts are presented in AUD thousands).

	30 June 2021 \$'000			
	USD	GBP	EUR	ZAR
Trade assets	1,527	439	563	130
Trade liabilities	(1,572)	(755)	–	–
<b>Net exposure</b>	<b>(45)</b>	<b>(316)</b>	<b>563</b>	<b>130</b>

The following significant exchange rates have been applied.

	30 June 2021	30 June 2020
USD 1	1.3323	1.4543
GBP 1	1.8434	1.7929
ZAR 1	0.0932	0.0839
EUR 1	1.5825	1.6330



**Notes to the Consolidated Financial Statements** (continued)

## 25. Financial instruments – Fair values and risk management (continued)

**Sensitivity analysis**

A reasonably possible strengthening (weakening) of the USD, EUR, GBP or ZAR against AUD at 30 June would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss. The analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

30 June 2021	Profit or loss	
	Strengthening \$'000	Weakening \$'000
EUR (10% movement)	56	(56)
USD (10% movement)	(4)	4
GBP (10% movement)	(32)	32
ZAR (10% movement)	13	(13)

**Interest rate risk**

At 30 June 2021, the Group held no interest bearing financial liabilities and held interest bearing financial assets (i.e., cash and short-term deposits) of \$22.6 million.

A reasonably possible change of 100 basis points in interest rates at the reporting date would increase profit or loss after tax by \$13,040. This analysis assumes that all other variables in particular foreign currency exchange rates remain constant.

**26. Contributed equity****Ordinary shares issued and fully paid**

Ordinary share capital bears no special terms or conditions affecting income or capital entitlements of the shareholders and is classified as equity. Costs directly attributable to the issue of new shares are recognised directly in equity as a deduction, net of tax, from the proceeds.

	Number of Shares	\$'000
<b>As at 30 June 2020</b>		
Fully paid ordinary shares of Ansarada NewCo Pty Limited 1 July 2020	7,360,871	39
Issue of ordinary shares in Ansarada NewCo Pty Limited	74,311	–
Issue of ordinary shares on conversion of preference shares	661,861	2,634
Issue of ordinary shares on conversion of convertible notes	7,624,575	30,346
Issue of ordinary shares on exercise of warrants	287,756	1,148
<b>Balance before reverse acquisition</b>	<b>16,009,374</b>	<b>34,167</b>
<b>Elimination of existing legal acquiree shares</b>		
Elimination of existing ordinary shares	(16,009,374)	–
<b>Shares of legal acquirer transferred in on reverse acquisition</b>	<b>15,243,124</b>	<b>22,708</b>
Issue of ordinary shares on acquisition in Ansarada Group Limited	43,052,229	–
<b>Balance after reverse acquisition in Ansarada Group Limited</b>	<b>58,295,353</b>	<b>56,875</b>
Issue of ordinary shares, net of transaction costs	30,405,471	37,975
Conversion of share options	10,493	14
<b>At 30 June 2021</b>	<b>88,711,317</b>	<b>94,864</b>

On the 4 December 2020, Ansarada Group Limited (formerly thedocyard Limited (ASX: TDY)) completed the acquisition of 100% of the share capital in Ansarada NewCo Pty Limited and its controlled subsidiaries (Ansarada NewCo). The consideration payable by the Company for 100% of the ordinary shares in Ansarada NewCo comprised ordinary shares in the Company. The Company acquired the share capital of Ansarada NewCo Pty Ltd in exchange for 43,052,229 shares and issued 30,405,471 new shares. As a result of the share issue, the Company incurred \$7.0 million in relation to equity transactions costs.

**Notes to the Consolidated Financial Statements** (continued)

## 26. Contributed equity (continued)

Ansarada NewCo Pty Limited Convertible Noteholders were either redeemed in cash or converted to ordinary shares of the Company. The total number of Ordinary Shares issued to Noteholders was approx. 7.9 million shares who elected to converted to Ordinary Shares.

The New Shares and Consideration Shares issued pursuant will rank equally with existing fully paid ordinary Shares in the Company. The rights attaching to Shares are set out in the Company's constitution and, in certain circumstances, are regulated by the Corporations Act, the ASX Listing Rules and general law.

**(A) Voting rights**

Each Shareholder entitled to vote may vote in person or by proxy, attorney or representative.

**(B) Dividend rights**

Subject to any special rights (at present there are none), any dividends that may be declared by the Company are payable on all Shares in proportion to the amount paid up.

**(C) General meetings**

Subject to the Constitution, a Shareholder who is entitled to attend and cast a vote at a meeting of Shareholders, may attend and vote in person or by proxy, by attorney or, if the Shareholder is a body corporate, by Corporate Representative. The Board must give 28 days' notice of the meeting.

**(D) Rights on winding up**

If the Company is wound up, the liquidator may, with the sanction of a special resolution of the Company:

- (1) divide among the Shareholders the whole or any part of the Company's property; and
- (2) decide how the division is to be carried out between the Shareholders.

Subject to any special rights (at present there are none), any surplus assets (following full satisfaction of all creditors' debts) on a winding up are to be distributed to Shareholders in proportion to the number of Shares held by them irrespective of the amounts paid or credited as paid.

**(E) Future increase in capital**

Subject to restrictions on the issue or grant of new Shares contained in the ASX Listing Rules, the Constitution and the Corporations Act, the Board may issue Shares, options to acquire Shares, and other securities with rights of conversion to Shares on any terms, to any person, at any time and for any consideration, as the Board resolves.

- (i) No dividend was paid or declared during the period.

	30 June 2021 Shares	30 June 2021 \$'000	30 June 2020 Shares	30 June 2020 \$'000
<b>Preference A Shares</b>				
<b>Balance at the end of reporting period</b>	-	-	391,413	2,634

The Preference Shares automatically convert to ordinary shares upon closing of the sale of ordinary shares, or in connection with a liquidity event. Under the terms of the Merger/Acquisition implementation Deed and Sale Deed, Ansarada NewCo Pty Limited converted their principal preference shares into ordinary shares. The new ordinary shares issued will rank equally with existing fully paid ordinary shares in the Company.

**27. Reserves****Nature and purpose of reserves****(a) Foreign currency translation reserve**

On consolidation, exchange differences arising on translation of the foreign controlled entities are taken to the foreign currency translation reserve. This amount is the net of gains and losses on hedge transactions and intercompany loans after adjusting for related income tax effects. When a foreign operation is disposed, the associated exchange differences are reclassified to profit or loss as part of the gain or loss on sale.





**Notes to the Consolidated Financial Statements** (continued)

## 27. Reserves (continued)

	30 June 2021 \$'000	30 June 2020 \$'000
<b>Foreign currency translation reserve</b>	<b>(18)</b>	<b>36</b>

**(b) Share-based payments reserve**

The share-based payment reserve represents the value of unvested options and unissued options as part of the share-based payment plan which are expensed over the vesting period.

	30 June 2021 \$'000	30 June 2020 \$'000
<b>Share based payment reserve</b>	<b>648</b>	<b>852</b>

**28. List of subsidiaries**

The Consolidated Financial Statements incorporate the assets, liabilities and results of the following principal subsidiaries in accordance with the accounting policy described in note 6. These entities prepare results on a 30 June year end basis for consolidation purposes. The proportion of ownership interest is equal to the proportion of voting power held.

Name of entity	Notes	Country of incorporation	Class of shares	30 June 2021 %	30 June 2020 %
Ansarada Group Limited	1,2,4	Australia	Ordinary	N/A	–
Ansarada NewCo Pty Limited	1,4	Australia	Ordinary	100	100
Lockbox Technologies Pty Limited	4	Australia	Ordinary	100	–
Ansarada SubCo Pty Limited	4,5	Australia	Ordinary	100	100
Ansarada Pty Limited	4	Australia	Ordinary	100	100
Ansarada International Pty Limited	4	Australia	Ordinary	100	100
Ansarada UK Limited		Great Britain	Ordinary	100	100
Ansarada US Incorporated		United States	Ordinary	100	100
Ansarada Pte. Limited		Singapore	Ordinary	100	100
Ansarada Hong Kong Limited		Hong Kong	Ordinary	100	100
Ansarada (Pty) Limited		South Africa	Ordinary	100	100
Ondaro Pty Limited	3	Australia	Ordinary	–	100
Pesara Pty Limited	3	Australia	Ordinary	–	100
Ansarada Central and Eastern Europe	3	Australia	Ordinary	–	100
Ansarada Employee Company Pty Limited	3	Australia	Ordinary	–	100
Ansarada Holdings Pty Limited	3	Australia	Ordinary	–	100
Ansarada IP Pty Limited	3	Australia	Ordinary	–	100
Sambellan Pty Ltd	3	Australia	Ordinary	–	100
Quam Enterprises Pty Ltd	3	Australia	Ordinary	–	100
Ansla Pty Ltd	3	Australia	Ordinary	–	100

- The legal parent entity and the ultimate parent entity of the Group is Ansarada Group Limited. However, under the applicable accounting standards, an acquisition by Ansarada NewCo Pty Limited is deemed to have occurred on the 4th December 2020. Consequently, for accounting purposes, Ansarada NewCo Pty Limited is the accounting parent entity of the Group. The comparatives for the year ended are those of Ansarada NewCo Pty Limited.
- Ansarada Group Limited changed its name from thedocyard Limited on 4 December 2020.
- On 22 July 2020, the following dormant entities have been deregistered with the Australian Securities & Investment Commission (ASIC) Ansarada Central and Eastern Europe, Ansarada Employee Company Pty Limited, Ansarada Holdings Pty Limited, Ansarada IP Pty Limited, Ansla Pty Limited, Ondaro Pty Limited, Pesara Pty Limited, Quam Enterprises Pty Limited and Sambellan Pty Limited.
- These wholly owned companies have entered into a deed of cross guarantee dated 24 June 2021 with Ansarada Group Limited which provides that all parties to the deed will guarantee to each creditor payment in full of any debt of each company participating in the deed on the winding-up of that company. As a result of ASIC Corporations (Wholly-owned Companies) Instrument 2016/785 these companies are relieved from the requirement to prepare a financial report and directors' report.
- On 6 July 2020, Ansarada Group Limited (formerly thedocyard Limited (ASX: TDY) completed the acquisition of 100% of the share capital of Lockbox Technologies Pty Limited. Lockbox Technologies Pty Ltd closing accounts as at 4 December 2020 were incorporated into the acquisition between Ansarada Group Limited (formerly thedocyard Limited (ASX: TDY) and Ansarada NewCo Pty Ltd. Lockbox Technologies Pty Ltd is a secure document creation and sharing platform for company boards.

## Notes to the Consolidated Financial Statements (continued)

**29. Deed of cross guarantee**

Ansarada Group Limited and each wholly-owned subsidiary party to a deed of cross guarantee dated 23 June 2021 (together the "Closed Group") are listed in note 28. Set out below is a consolidated statement of comprehensive income, a Consolidated Statement of Financial Position and a summary of movements in consolidated retained earnings of the Closed Group for the year ended 30 June 2021.

Notes	30 June 2021 \$'000	30 June 2020 \$'000
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	22,590	9,069
Trade and other receivables	4,686	3,878
Other current assets	1,596	25
<b>Total current assets</b>	<b>28,872</b>	<b>12,972</b>
<b>Non-current assets</b>		
Intangible assets	41,360	23,422
Property, plant and equipment	179	372
Right of Use Asset	5,216	1,513
Related party receivables	–	–
Deferred tax asset	5,377	5,377
<b>Total non current assets</b>	<b>52,132</b>	<b>30,684</b>
<b>Total assets</b>	<b>81,004</b>	<b>43,656</b>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Trade and other payables	(3,450)	(5,127)
Lease Liabilities	(715)	(614)
Borrowings	–	–
Employee benefits	(1,256)	(1,326)
Convertible note payable	–	(63,866)
Warrants	–	(1,700)
Related party payables	(2,985)	(3,182)
Deferred revenue	(12,872)	(7,726)
<b>Total current liabilities</b>	<b>(21,278)</b>	<b>(83,541)</b>
<b>Non-current liabilities</b>		
Lease Liabilities	(5,139)	(968)
Employee benefits	(117)	(138)
Deferred revenue	(1,070)	–
Provisions	(228)	(228)
<b>Total non-current liabilities</b>	<b>(6,554)</b>	<b>(1,334)</b>
<b>Total liabilities</b>	<b>(27,832)</b>	<b>(84,875)</b>
<b>Net assets/(liabilities)</b>	<b>53,172</b>	<b>(41,219)</b>
<b>Equity</b>		
Share capital	93,966	2,634
Retained losses	(42,376)	(44,741)
Reserves	1,582	888
<b>Total equity</b>	<b>53,172</b>	<b>41,219</b>



**Notes to the Consolidated Financial Statements** (continued)

## 29. Deed of cross guarantee (continued)

Notes	30 June 2021 \$'000	30 June 2020 \$'000
Revenue	33,119	32,859
Other income	306	322
<b>Total revenue and other income</b>	<b>33,425</b>	<b>33,181</b>
Cost of revenue	(330)	(1,341)
<b>Gross profit</b>	<b>33,095</b>	<b>31,840</b>
Product design and development	(18,133)	(17,919)
Sales and Marketing	(8,140)	(5,670)
General and Administration	(9,000)	(9,340)
<b>Total operating expenses</b>	<b>(35,273)</b>	<b>(32,929)</b>
<b>Operating Profit /(loss)</b>	<b>(2,178)</b>	<b>(1,089)</b>
Finance income	9	18
Finance expense	(906)	(355)
Fair value adjustment – Convertible Notes & Warrants	9,073	(15,505)
<b>Net finance Income/(expense)</b>	<b>8,176</b>	<b>(15,842)</b>
<b>Profit/ (Loss) before income tax</b>	<b>5,998</b>	<b>(16,931)</b>
Income tax benefit/(expense)	(22)	(64)
<b>Profit/ (Loss) for the year</b>	<b>5,976</b>	<b>(16,995)</b>

**30. Parent entity financial information**

The financial information for the legal parent entity, Ansarada Group Limited (formerly thedocyard Limited (ASX: TDY) has been prepared on the same basis as the consolidated financial statements. The parent entity has entered into a Deed of Cross Guarantee. Refer to note 28 for further details.

The individual financial statements for the legal parent entity show the following aggregate amounts:

	30 June 2021 \$'000	30 June 2020 \$'000
<b>Assets</b>		
Current assets	1,075	2,847
Non-current assets	103,760	7
<b>Total assets</b>	<b>104,835</b>	<b>2,854</b>
<b>Liabilities</b>		
Current liabilities	(277)	(359)
Non-current liabilities	–	(17)
<b>Total liabilities</b>	<b>(277)</b>	<b>(376)</b>
<b>Net assets/(liabilities)</b>	<b>104,558</b>	<b>(2,478)</b>
<b>Equity</b>		
Share capital	112,853	8,428
Retained losses	(10,167)	(6,277)
Reserves	1,872	327
<b>Total equity</b>	<b>104,558</b>	<b>2,478</b>
<b>Profit/(loss) attributable to members of the parent entity</b>	<b>(3,891)</b>	<b>(4,130)</b>

## Notes to the Consolidated Financial Statements (continued)

**31. Related party**

Key management personnel disclosures are included in note 32. Detailed remuneration disclosures are provided in the remuneration report.

**Director's shareholdings in the parent entity**

	30 June 2021 \$'000	30 June 2020 \$'000
Ordinary shares held at the end of the financial year	8,783,272	5,187,625

As set out in note 36 to the Financial Statements, as a result of the acquisition of Ansarada Group Limited (formerly thedocyard Limited) ('TDY Group') and its controlled entities by Ansarada NewCo Pty Limited and its controlled entities ('Ansarada NewCo'), the comparative information for 1 July- 30 June 2020 represents the shareholdings of Ansarada NewCo only. The 30 June 2021 shareholding represents the results of Ansarada Group Limited (formerly thedocyard Limited) ('TDY Group'). Refer to note 26, for further information regarding the share consolidation.

**(a) Wholly owned Group – intercompany transactions and outstanding balances**

	30 June 2021 \$'000	30 June 2020 \$'000
<i>From Ansarada Group Limited</i>		
Intercompany loans	37,172	–
<b>Total</b>	<b>37,172</b>	<b>–</b>

All intercompany fee, and loan transactions, including taxation payments in accordance with the tax funding / sharing agreement are recorded through the intercompany loans. These transactions were undertaken on commercial terms and are reflected in non-current assets in the Parent Entity accounts.

**Ultimate controlling entity**

The parent entity and the ultimate legal parent entity of the Group is Ansarada Group Limited.

**(b) Ownership interests in related parties**

Interests in controlled entities are set out in note 28.

**32. Key management personnel****(a) Key management personnel**

Key management personnel ("KMP") are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, and include the Directors and certain other senior executives. Refer to the Remuneration Report, forming part of the Director's report on pages 36-47 for details of individual Director and executive compensation and equity disclosures required by the Corporation Regulations 2M.3.03.

	30 June 2021 \$'000	30 June 2020 \$'000
Short-term employee benefits	1,824	792
Post-employment benefits	67	68
Other long-term benefits	33	133
Share Options	332	285
<b>Total KMP compensation</b>	<b>2,256</b>	<b>1,278</b>

As set out in note 36 to the Financial Statements, as a result of the acquisition of Ansarada Group Limited (formerly thedocyard Limited) ('TDY Group') and its controlled entities by Ansarada NewCo Pty Limited and its controlled entities ('Ansarada NewCo'), the comparative information for 30 June 2020 represents the key management personnel of Ansarada



**Notes to the Consolidated Financial Statements** (continued)

## 32. Key management personnel (continued)

NewCo only. The key management personnel for the period ended 30 June 2021 represents Ansarada NewCo for the period from 1 July 2020 to 3 December 2020 and then key management personnel of TDY Group for the period post-acquisition from 4 December 2020 to 30 June 2021.

**Short-term employee benefits**

These amounts include fees and benefits paid as well as all salary, fringe benefits and cash bonuses awarded to the executive Directors and other KMP.

**Post-employment benefits**

These amounts are the cost of superannuation contributions made during the year.

**Other long-term benefits**

These amounts represent long service leave, long-term annual leave benefits and share options accruing during the year.

**33. Share based payments**

Prior to the acquisition, each of Ansarada NewCo Pty Limited legacy employee share options plans were terminated. All Vested and Unvested Options were cancelled or lapsed on termination of the plans, and participants will no longer have any entitlement in relation to any Vested or Unvested Options. In accordance with AASB 2, the amount recognised when a share-based payment is cancelled is the amount that otherwise would have been recognised over the remainder of the vesting period if the cancellation had not occurred. This resulted in the Company recognising a share based payment expense of \$1.4 million. Ansarada NewCo Pty Limited also made a share based payment of \$0.3 million in relation to legacy employee options whose exercise price were less than the share price.

On 9 December 2020, the Group granted 8,758,281 Long Term Incentive (LTI) options under the employee share option plan (ESOP), at a weighted average fair value of \$0.35, determined using the Black-Scholes valuation model. The options are subject to a three year vesting period and vest in three equal tranches annually from the grant date.

The significant inputs into the model were the estimated market share price at grant date, the exercise price of \$2.15, calculated as a 45% premium on the Offer price set out in the Company's prospectus. The expected annualised volatility of between 45% and 55%, a dividend yield of 0%, and expected option life of three years and an annual risk-free interest rate of 1.03%. Each employee share option plan carries an entitlement to one fully paid ordinary share subject to continued employment over a three year period and vest in three equal tranches annually. Vested options are exercisable from the end of the relevant vesting period until the expiry date.

Set out below is a summary of LTI Plan:

<b>Grant date</b>	<b>9 December 2020</b>
Number of Options issued	8,758,281
Exercise price	\$2.15
Contractual life of Options	4 years

Also, prior to the acquisition Ansarada Group Limited (formerly thedocyard Limited (ASX: TDY) had a legacy employee option plan (EOP) in place. Under the EOP, one share option entitles the holder to one ordinary share in the Company subject to vesting conditions. Participants in the EOP will not pay any consideration for the grant of the share option unless determined otherwise. Eligible employees holding a share option pursuant to the EOP have no rights to dividends and are not entitled to vote at shareholder meetings until that share option is vested and, where required, exercised.

Set out below is a summary of EOP Plan:

<b>Grant date</b>	<b>July &amp; August 2020</b>
Number of Options on acquisition	59,960
Exercise price	\$nil
Vesting period	3 years

## Notes to the Consolidated Financial Statements (continued)

## 33. Share based payments (continued)

	30 June 2021 \$'000	30 June 2020 \$'000
Legacy employee share option plan	1,385	569
LTI Options	647	–
<b>Total share based payments expense</b>	<b>2,032</b>	<b>569</b>

2021	Number of share options	Fair value of share options	Weighted average fair value per option
<b>Opening</b>	<b>262,213</b>	<b>1,076,557</b>	<b>4.106</b>
Granted 2021 Options	8,758,281	2,109,286	0.24
Granted Legacy Share Options (EOP plan)	59,961	103,431	1.73
Vested Legacy Share Options (EOP plan)	10,493	18,099	1.73
Lapsed 2016 & 2018 Options (cancellation)	(262,215)	(1,076,557)	(4.11)
Lapsed 2021 options	(33,373)	(4,205)	0.13
Lapsed Legacy Options (EOP plan)	(2,992)	(5,396)	1.8
<b>Share option on issue as at 30 June 2021</b>	<b>8,792,368</b>	<b>2,221,215</b>	<b>0.25</b>
2020	Number of share options	Fair value of share options	Weighted average fair value per option
<b>Opening</b>	<b>281,583</b>	<b>1,146,474</b>	<b>4.072</b>
Granted 2020 Pool 1	44,900	146,688	3.27
Granted 2020 Pool 2	40,473	123,422	3.05
Granted 2020 Pool 3	30,791	217,862	7.08
Vested* 2016 Options	(17,303)	(8,773)	0.507
Vested* 2018 Options	(59,590)	(308,199)	5.17
Lapsed 2016 options	(10,330)	(5,237)	0.507
Lapsed 2018 options	(41,628)	(215,300)	5.172
Lapsed 2020 options	(6,683)	(20,380)	3.05
<b>Share option on issue as at 30 June 2020</b>	<b>262,213</b>	<b>1,076,557</b>	<b>4.106</b>

**Options issued to Lockbox shareholders and placement participants**

On 6 July 2020, Ansarada Group Limited (formerly thedocyard Limited (ASX: TDY) completed the acquisition of 100% of the share capital of Lockbox Technologies Pty Limited. As part of the consideration, Ansarada granted 1,500,000\* options to the Lockbox shareholders with an exercise price of \$1.67 per option. These options are exercisable at any time between the period beginning on the first anniversary of their grant and will expire in 3 years from the date of issue.

Also, Ansarada granted a further 300,767\* options to the participants in the institutional placement at an exercise price of \$2.00 per option. These options have an exercise period of 3 years from the date of grant and are not subject to any vesting period.





**Notes to the Consolidated Financial Statements** (continued)

## 33. Share based payments (continued)

Set out below is a summary of options which have been allocated:

2021	Number of share options	Fair value of share options	Weighted average fair value per option
<b>Opening</b>	–	–	–
Granted Pool 1	1,500,000	771,454	0.52
Granted Pool 2	300,767	126,622	0.42
<b>Share option on issue as at 30 June 2021</b>	<b>1,800,767</b>	<b>898,076</b>	<b>0.50</b>

\*Options have been consolidated for the 10:1 share consolidation

**34. Reconciliation of cash flows from operating activities**

	30 June 2021 \$'000	30 June 2020 \$'000
Profit / (loss) for the year	642	(26,025)
Depreciation and amortisation	11,674	9,083
Impairment of assets	34	2,771
Share based payments	2,047	569
Fair value adjustment in relation to convertible notes and warrants	(9,072)	15,505
Other non-cash items	382	123
Foreign exchange differences	150	(6)
Decrease/(Increase) in trade and other receivables	(1,652)	1,187
(Decrease)/Increase in trade and other creditors	(2,582)	334
(Decrease)/Increase in tax assets	(364)	–
(Decrease)/Increase in employee benefits	(330)	260
(Decrease)/Increase in deferred revenue	5,975	611
Decrease/(Increase) in prepayments	(355)	209
<b>Net cash inflow from operating activities</b>	<b>6,549</b>	<b>4,621</b>

**35. Auditors' remuneration**

	30 June 2021 \$	30 June 2020 \$
<b>Audit services</b>		
<i>KPMG Australia:</i>		
Audit & review of financial reports	283,000	208,220
<b>Non-Audit services</b>		
<i>KPMG Australia:</i>		
Tax Services	69,500	155,118
Tax Services from business combination*	325,000	–
Business combination costs*	465,000	–
Other non-audit services	54,400	–
<b>Total remuneration for audit and other assurance services</b>	<b>1,196,000</b>	<b>363,338</b>

\*Business combination costs of approximately \$790,000 is in relation to the acquisition of Ansarada NewCo Pty Limited. Refer to Note 36 for further details regarding the business combination.

## Notes to the Consolidated Financial Statements (continued)

**36. Business combination****Acquisition of Ansarada Group Limited and Ansarada NewCo Pty Limited**

On the 4 December 2020, Ansarada Group Limited (formerly thedocyard Limited (ASX: TDY) completed the acquisition of 100% of the share capital in Ansarada NewCo Pty Limited and commenced trading on the ASX on the 9 December. On the 24 November 2020, the Company shareholders approved the Company to be renamed as Ansarada Group Limited.

Completion of the acquisition follows the satisfaction or waiver of conditions precedent and other completion requirements, including the completion of the Capital Raising as per the Prospectus dated 30 October 2020 and completion of a 10 to 1 share consolidation. Ansarada Group Limited raised \$45.0 million through the issue of approximately 30.4 million shares.

**Acquisition of Ansarada Group Limited and Ansarada NewCo Pty Limited**

Under accounting standards, the acquisition of Ansarada Group Limited and Ansarada NewCo is accounted for as business combination.

In accordance with AASB 3 Business combinations the acquirer is usually the entity issuing its equity interest but recognises that in some business combinations, so-called 'reverse acquisitions', the issuing entity is actually the acquiree.

A reverse acquisition occurs when the entity that issues the securities the (legal acquirer) is identified as the acquiree for accounting purposes based on guidance in the standard, where a private operating entity in place of registering its own shares will arrange for a public entity to acquire its equity interests in exchange for the equity interests of the public entity.

Although the public entity is the legal acquirer because it issued its equity interests, and the private entity is the legal acquiree because its equity interests were acquired, application of the guidance results in identifying: [AASB3- B19]

- (A) The public entity as the acquiree for accounting purposes, and
- (B) The private entity as the accounting acquirer.

In accordance with accounting standards, this acquisition has been accounted for as a reverse acquisition business combination.

In applying the requirements of AASB 3 Business Combinations to the Group:

- (i) Ansarada Group Limited (formerly thedocyard Limited) is the legal parent entity to the Group; and
- (ii) Ansarada NewCo Pty Limited, which is neither the legal parent nor legal acquirer, is deemed to be the accounting acquirer.

The implications of applying AASB 3 on each of the attached financial Statements comparatives are described in Note 5.

**Application of AASB 3 Business Combinations**

Details of the purchase consideration, the net assets acquired, and goodwill attributed to the acquisition are summarised in the table below:

- (i) Summary of business combinations for the period ending 30 June 2021:

Entity	Shares	Price \$	Consideration \$000
No of shares Ansarada Group Limited	15,243,124	1.484	22,708

The provisional fair values of the identifiable assets and liabilities acquired by Ansarada are as follows:

	Fair value of Net Assets Acquired \$000
Cash and bank balances	1,988
Trade and other receivables	622
Software - Intangibles	4,151
Trade creditors and accruals	(1,090)



**Notes to the Consolidated Financial Statements** (continued)

## 36. Business combination (continued)

Provisions	(186)
<b>Net identifiable assets acquired</b>	<b>5,485</b>
Goodwill	17,223
<b>Net assets acquired</b>	<b>22,708</b>

The identified intangibles software has been valued using the replacement cost methodology. No deferred tax has been recognised in connection with the intangible software in the goodwill calculation as the recognition criteria has not been met.

**37. Subsequent events**

There were no items, transactions or events of a material or unusual nature, that, in the opinion of the Board, are likely to significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group that have arisen in the period from 30 June 2021 to the date of this report.

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# Directors' Declaration

1. In the opinion of the Directors of Ansarada Group Pty Limited ('the Group'):
  - (a) the Consolidated Financial Statements and notes that are set out on pages 60 to 94 are in accordance with the Corporations Act 2001, including:
    - (i) giving a true and fair view of the Group's financial position as at 30 June 2021 and of its performance, for the financial half year ended on that date; and
    - (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001; and
  - (b) there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.
2. The Directors have been given the declarations required by Section 295A of the Corporations Act 2001 from the Chief Executive Officer and Chief Financial Officer for the financial year ended 30 June 2021.
3. The Directors draw attention to Note 2 to the Consolidated Financial Statements, which includes a statement of compliance with International Financial Reporting Standards.

Signed in accordance with a resolution of the Directors:

Dated at 31 August 2021.



**Samuel Riley,**  
Director



**David Pullini,**  
Director

# Independent Auditor's Report



## Independent Auditor's Report

To the shareholders of Ansarada Group Limited

### Report on the audit of the Financial Report

#### Opinion

We have audited the **Financial Report** of Ansarada Group Limited (the Company).

In our opinion, the accompanying Financial Report of the Company is in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the Group's financial position as at 30 June 2021 and of its financial performance for the year ended on that date; and
- complying with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

The **Financial Report** comprises:

- Consolidated Statement of Financial Position as at 30 June 2021
- Consolidated Statement of Profit or Loss and Other Comprehensive Income, Consolidated Statement of Changes in Equity, and Consolidated Statement of Cash Flows for the year then ended
- Notes including a summary of significant accounting policies
- Directors' Declaration.

The **Group** consists of the Company and the entities it controlled at the year-end or from time to time during the financial year.

#### Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.

We are independent of the Company in accordance with *the Corporations Act 2001* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code)* that are relevant to our audit of the Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with the Code.

#### Key Audit Matters

The **Key Audit Matters** we identified are:

- *Testing for impairment of goodwill*
- *Accounting for reverse acquisition*
- *Revenue recognition and deferred revenue*

**Key Audit Matters** are those matters that, in our professional judgement, were of most significance in our audit of the Financial Report of the current period.

These matters were addressed in the context of our audit of the Financial Report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Testing for impairment of goodwill (\$17.2m)	
Refer to Note 19 Intangible assets	
The key audit matter	How the matter was addressed in our audit
<p>The Group’s annual testing of goodwill for impairment is a key audit matter, given the size of the balance relative to total assets and the judgements applied by the Group in assessing the allocation of goodwill and the forward-looking assumptions applied in their value in use model.</p> <p>We focused on:</p> <ul style="list-style-type: none"> <li>• Allocation of goodwill to CGUs – goodwill is required to be allocated to the CGU or group of CGUs that is expected to benefit from the synergies of the business combination.</li> <li>• Forward looking assumptions – forecast cash flows, growth rates, discount rates and terminal growth rates used by the Group given their inherent uncertainty.</li> </ul> <p>We involved valuation specialists to supplement our senior audit team members in assessing this key audit matter.</p>	<p>Working with our valuation specialists, our procedures included:</p> <ul style="list-style-type: none"> <li>• We assessed the Group’s determination of the CGUs used in the impairment model and the determination that goodwill is tested at the single group of CGU level, based on our understanding of the Group’s business, strategy and examination of cash inflows. We assessed these against the criteria in the Australian Accounting Standards. We also considered internal reporting of the Group’s results to assess how earnings and goodwill are monitored and reported</li> <li>• We assessed the impairment testing methodology used by the Group against the requirements of Australian Accounting Standards</li> <li>• We assessed the integrity of the value in use model used, including the accuracy of the underlying calculation formulas</li> <li>• We compared the forecast cash flows contained in the value in use model to Board approved forecasts</li> <li>• We assessed the accuracy of previous Group forecasts to inform our evaluation of forecasts incorporated in the model</li> <li>• We assessed the cash flows and related growth rates applied in the model by comparing them to external analysts’ reports. We checked the consistency of the growth rates to the Group’s stated plan and strategy, past performance of the Group, and our experience regarding the feasibility of these in the industry in which they operate</li> <li>• We independently developed a discount rate range considered comparable using publicly available market data for comparable entities, adjusted by risk factors specific to the Group and the industry it operates in</li> </ul>







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	<ul style="list-style-type: none"> <li>We considered the sensitivity of the model by varying key assumptions, such as forecast growth rates, terminal growth rates and discount rates, within a reasonably possible range. We did this to identify those assumptions at higher risk of bias or inconsistency in application and to focus our further procedures</li> <li>We assessed the disclosures in the financial report using our understanding of the issue obtained from our testing and against the requirements of the accounting standards.</li> </ul>
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Accounting for reverse acquisition	
Refer to Note 36 Business combination	
The key audit matter	How the matter was addressed in our audit
<p>During the year, the Group acquired 100% of the shares in Ansarada NewCo Pty Limited in a scrip-for-scrip transaction. The Group has accounted for the transaction as a reverse acquisition.</p> <p>The accounting for the reverse acquisition was a key audit matter due to the significant impact of the transaction to the financial report and the Group itself. Areas of complexity and judgement for the Group and considered by us include:</p> <ul style="list-style-type: none"> <li>determining the acquirer in the transaction and associated assessment of the transaction and classification as a reverse acquisition, both of which require interpretation of key features of the arrangement against criteria in the accounting standards;</li> <li>identification of acquired intangible assets;</li> <li>determining the fair value of each asset and liability for recognition by the Group by assessing key assumptions such as cash flow forecast, growth rates and discount rates;</li> </ul> <p>We involved valuation specialists to supplement our senior audit team members in assessing this key audit matter.</p>	<p>Working with our valuation specialist, our procedures included:</p> <ul style="list-style-type: none"> <li>We evaluated the Group’s assessment of identification of the acquirer in the transaction and classification as a reverse acquisition against underlying documentation such as the terms and conditions of the Merger Implementation Deed, the details outlined in thedocyard Ltd Prospectus (the Prospectus) and the requirements contained in the criteria of the accounting standards</li> <li>We evaluated the Group’s assessment of the identification of acquired intangible assets against underlying documentation, such as the Prospectus</li> <li>We assessed the Group’s valuation of assets and liabilities acquired by:                         <ul style="list-style-type: none"> <li>comparing fair value accounting adjustments of the assets acquired and liabilities assumed against the Prospectus information and subsequent transactions</li> </ul> </li> <li>evaluating management’s estimates and assumptions in determining the fair value of intangible assets such as cash flow forecasts, growth rates and discount rates against market evidence</li> </ul>



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	<ul style="list-style-type: none"> <li>• We checked the goodwill balance recognised as a result of the transaction and compared it to the goodwill amount recorded by the Group</li> <li>• We evaluated the Group’s conclusions using information that has become available during the period following acquisition regarding conditions or circumstances that existed at the date of acquisition and therefore may require adjustment</li> <li>• We assessed the presentation and disclosures in the financial report using our understanding of the issue obtained from our testing and against the requirements of the accounting standards.</li> </ul>
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Revenue recognition (AUD \$33.1m) and deferred income (\$13.9m)	
Refer to Note 8 Revenue	
The key audit matter	How the matter was addressed in our audit
<p>The Group derives its revenue from subscription or transactional usage fees from customers for access to its cloud-based SaaS platform. It is the Group’s policy to recognise subscription and usage fee revenue in the period the services are rendered over the contractual term. The Group primarily charges a customer upfront for a contracted period of access and if at year end those services are yet to be delivered it is policy to recognise as a liability and classify as deferred revenue (\$13.9m).</p> <p>The recognition of revenue and related deferred revenue is considered to be a key audit matter due to:</p> <ul style="list-style-type: none"> <li>• The significance of revenue and deferred revenue to the financial statements; and</li> <li>• The high volume of individual contracts.</li> </ul> <p>We focused on assessing the timing of revenue recognised by the Group for subscription fees in accordance with the accounting standards.</p>	<p>Our procedures included:</p> <ul style="list-style-type: none"> <li>• We assessed the appropriateness of the Group’s accounting policies related to revenue recognition against the requirements of the accounting standard and our understanding of the business and industry practice;</li> <li>• For a sample of revenue transactions we assessed revenue recognised against the subscription and usage period in the underlying customer contract and invoice. This also enabled an assessment of deferred revenue for those transactions yet to be delivered;</li> <li>• For a sample of invoices and credit notes issued by the Group post year end, we checked the timing of revenue recognition for inclusion in its correct period based upon details in the underlying contract;</li> <li>• We evaluated the adequacy of disclosures in the financial statements using our understanding obtained from our testing and against the requirements of Australian Accounting Standards.</li> </ul>





### Other information

Other Information is financial and non-financial information in Ansarada Group Limited's annual reporting which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

### Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- preparing the Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*
- implementing necessary internal control to enable the preparation of a Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error
- assessing the Company's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- to obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- to issue an Auditor's Report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Financial Report.

A further description of our responsibilities for the audit of the Financial Report is located at the *Auditing and Assurance Standards Board* website at:

[https://www.auasb.gov.au/admin/file/content102/c3/ar1\\_2020.pdf](https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf). This description forms part of our Auditor's Report.



### Report on the Remuneration Report

#### Opinion

In our opinion, the Remuneration Report of Ansarada Group Limited for the year ended 30 June 2021, complies with *Section 300A of the Corporations Act 2001*.

#### Directors' responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with *Section 300A of the Corporations Act 2001*.

#### Our responsibilities

We have audited the Remuneration Report included in *pages 36 to 47* of the Directors' report for the year ended 30 June 2021.

Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with *Australian Auditing Standards*.

KPMG

KPMG

Caoimhe Toouli

Caoimhe Toouli

Partner

Sydney

31 August 2021



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# Shareholder Information

This section contains additional information required by the Australian Securities Exchange Limited listing rules not disclosed elsewhere in this report.

In accordance with corporate governance statement ASX 4.10.3, the Directors provide the following information as at 31 July 2021.

## (a) Distribution of shareholders and options holders

Fully paid ordinary shares holding ranges Entity	Holders	Number of shares	% of issued capital
1-1,000	326	211,544	0.24
1,001-5,000	692	2,014,875	2.27
5,001-10,000	275	2,107,312	2.38
10,001-100,000	266	6,984,664	7.87
100,001-9,999,999,999	54	77,392,922	87.24
<b>Totals</b>	<b>1,613</b>	<b>88,711,317</b>	<b>100</b>

There are 66 shareholders holding less than a marketable parcel of shares each (i.e., less than \$500 per parcel of shares) based on the closing price of AUD 1.46 on 30 July 2021 representing a total of 12,222 shares.

## (b) Twenty Largest Shareholders of ordinary shares as at 31 July 2021

Shareholder	Ordinary Shares	
	Number of shares	% of issued capital
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	7,419,439	8.36%
MR ANDREW SLAVIN	6,564,943	7.40%
MR SAMUEL RILEY	4,964,249	5.60%
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	4,737,649	5.34%
MAAM GP PTY LTD <MA GROWTH CAP FUND II A/C	4,728,466	5.33%
NETWEALTH INVESTMENTS LIMITED <WRAP SERVICES A/C	4,251,473	4.79%
NATIONAL NOMINEES LIMITED <AUSTRALIAN ETHICAL ASF A/C	3,749,824	4.23%
SJSL CLOUT HOLDINGS PTY LTD	3,495,237	3.94%
ISAMAX PTY LTD	3,463,574	3.90%
MRS CHIN-FEN CHANG	2,645,025	2.98%
MS RACHEL CHRISTINA RILEY	2,461,853	2.78%
BOND STREET CUSTODIANS LIMITED <SALTER - D79836 A/C	2,300,000	2.59%
MSG HOLDINGS PTY LTD <MJ & SJ GREGG SUPER FUND A/C	2,284,816	2.58%
FABEMU (NO 2) PTY LTD <GIBBON SUPER FUND A/C	2,284,816	2.58%
ELLERSTON CAPITAL LIMITED <ANSARADA COMP OF ESOP A/C>	2,153,096	2.43%
NATIONAL NOMINEES LIMITED	1,993,323	2.25%
TEMPUS PARTNERS VENTURES PTY LTD <TEMPUS PARTNERS ANSARADA A/C	1,909,362	2.15%
APE MAN PTY LIMITED <TUPPER STREET A/C	1,891,159	2.13%
CITICORP NOMINEES PTY LIMITED	1,673,926	1.89%
BNP PARIBAS NOMS PTY LTD <DRP>	1,402,630	1.58%
<b>Total Securities of Top 20 Holdings</b>	<b>66,374,860</b>	<b>74.82%</b>
<b>Total of Securities</b>	<b>88,711,317</b>	





**(c) Substantial shareholders**

A substantial shareholder is one who has a relevant interest in 5 per cent or more of the total issued shares in the Company. Following are the substantial shareholders in the Company based on notifications provided to the Company under the Corporations Act 2001:

Shareholder	Number of shares	% of issued capital
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	7,419,439	8.36%
MR ANDREW SLAVIN	6,564,943	7.40%
MR SAMUEL RILEY	4,964,249	5.60%
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	4,737,649	5.34%
MAAM GP PTY LTD <MA GROWTH CAP FUND II A/C	4,728,466	5.33%

**(d) Voting rights****(i) Voting rights**

- Each Shareholder entitled to vote may vote in person or by proxy, attorney or representative.
- On a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- On a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each Share held by that person or in respect of which the person is appointed proxy, attorney or representative, have one vote for each Share held, but in respect of partly paid Shares shall have a fraction of a vote equivalent to the proportion which the amount paid bears up to the total issue price for the Share.

**(ii) Dividend rights**

Subject to any special rights (at present there are none), any dividends that may be declared by the Company are payable on all Shares in proportion to the amount paid up.

**(iii) General meetings**

Subject to the Constitution, a Shareholder who is entitled to attend and cast a vote at a meeting of Shareholders, may attend and vote in person or by proxy, by attorney or, if the Shareholder is a body corporate, by Corporate Representative. The Board must give 28 days' notice of the meeting.

**(iv) Rights on winding up**

If the Company is wound up, the liquidator may, with the sanction of a special resolution of the Company:

- divide among the Shareholders the whole or any part of the Company's property; and
- decide how the division is to be carried out between the Shareholders.

Subject to any special rights (at present there are none), any surplus assets (following full satisfaction of all creditors' debts) on a winding up are to be distributed to Shareholders in proportion to the number of Shares held by them irrespective of the amounts paid or credited as paid.

**(v) Future increase in capital**

Subject to restrictions on the issue or grant of new Shares contained in the ASX Listing Rules, the Constitution and the Corporations Act, the Board may issue Shares, options to acquire Shares, and other securities with rights of conversion to Shares on any terms, to any person, at any time and for any consideration, as the Board resolves.

**(e) Restricted securities**

The company has the following fully paid ordinary restricted securities:

	Number of shares	Holders
Fully Paid Ordinary Shares ASX Escrowed 24 Months from Quotation	7,061,420	100
FPO Advisor Shares ASX Escrowed 24 Months from Date of Quotation	423,926	18
FPO VOL ESC Until 10 Days After Release FY21 Full Year Results	21,288,792	100
FPO VOL ESC Until 10 Days After Release FY22 Half Year Results	3,497,761	100
FPO VOL ESC Until 10 Days After Release FY22 Full Year Results	10,493,284	100
<b>Total Restricted Securities</b>	<b>42,765,183</b>	<b>418</b>

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**Ansarada Group Limited**

ABN: 19 602 586 407

ASX code: AND

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