Appendix 4E

Ansarada Group Limited
For the year ended 30 June 2022

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 2022 $'000	30 June 2021 $'000	Up/(down)	Movement %
Net (loss)/profit after tax from operations	(8,607)	642	(9,249)	-1,441%
Total net (loss)/profit after tax attributable to members of the Group	(8,607)	642	(9,249)	-1,441%
Revenue from operations	**48,294**	**33,119**	**15,175**	**46%**
Earnings per share (cents)	0.10	1.06	(0.96)	-91%

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

On 29 October 2021, Ansarada Group Limited completed the acquisition of 100% of the share capital in TriLine GRC Pty Ltd and it's Subsidiaries. TriLine GRC Pty Ltd provides technology solutions to businesses in order to strengthen their governance, risk and compliance framework.

On 1 March 2022, Ansarada Group Limited completed the acquisition of 100% of the share capital in Ansarada Vietnam Limited. Ansarada Vietnam Limited is a development centre that provides software development services for the Ansarada Group.

Other Information

No dividends have been declared for the financial period ended 30 June 2022.

Net Tangible Assets	30 June 2022 $'000	30 June 2021 $'000
Net Tangible assets per security (cents)	**0.08**	**0.17**

Explanation of results

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

This report should 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 2022 that have been audited by KPMG.

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

ANSARADA

FY22 Audited Financial Results

1 Overview

2 Financials

3 Reports

From a tiny virtual data room company in 2005, to a SaaS company with clients and offices across the globe, we've come a long way. And while we've grown, we've managed to hold true to our founder-led, customer-centric roots, bringing order to the organisational chaos that surrounds many businesses.

With over 35,000 transactions under our belt, we are trusted by the world's leading institutions. But we are no longer reserved for the 'big' moments in the business lifecycle. Our recent expansion into non-M&A solutions means we're able to maximise order at every stage of it. Whether it's in the way day-to-day operations are set up or how information is distributed, order is the key to business success, and Ansarada now provides solutions that embed unparalleled levels of governance and security across all phases of the business lifecycle.

1 2 3 4 5 6

PEOPLE

7 8 9 10 11

FIRST

Our people

Without our amazing Ansaradans, we wouldn't be what we are today. From those who've been with us since day one to our newest starters, what makes Ansarada unique are the core values that we live and work by – curiosity, courage, care and change.

It's only through our team's willingness to be uncomfortable with the status quo, navigate difficulties with a 'can do' attitude, and to support and hold each other accountable, that we can do what we do, to the extremely high standard we do it at. We'll continue to create an environment that enables everyone to be a force for good, and a force for growth.

A year to be proud of

MILESTONE_01 Record customer numbers

MILESTONE_02 Debt free

MILESTONE_03 Acquisition of TriLine GRC, leading solutions for governance, risk and compliance use cases

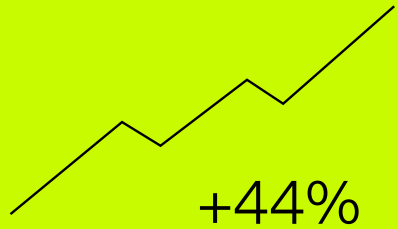
MILESTONE_04 Freemium customer growth strategy

MILESTONE_05 Extended Workflow features for increased deal process automation

AASB Revenue growth

$48.3M

2022



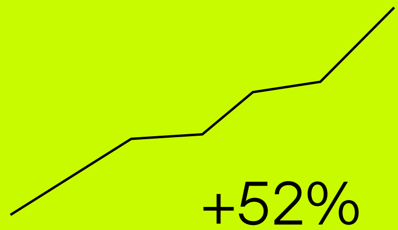
2021

+44%

Customers

5,251

2022



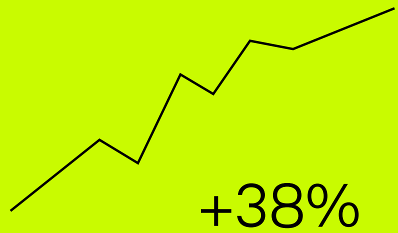
2021

+52%

Adjusted Cash Flow from Operations

$12.6M

2022



2021

+38%

Adjusted EBIDTA

$6.0M

2%YOY

Deferred Revenue

$16.9M

+21%YOY

International Revenue

$21.0M

+38%YOY

Gross Margin

$95%

Subscribers

2,851

Average Revenue Per Account

1,204

Chairman's Report

I am pleased to present Ansarada's 2022 Financial Year Annual Report. The Company has continued to make progress across all key metrics despite challenging market conditions.

We have increased our customer base, expanded our software solutions, extended our international presence and delivered record revenue and positive cash flow.

Rising interest rates and equity market volatility impacted M&A volumes in the second half of the year. However, Ansarada has made good progress executing on its strategies to build new recurring revenue in less economically sensitive markets. We see increasing demand for new solutions across non-M&A transaction including insolvency, refinancing, infrastructure delivery/tenders and Governance, Risk and Compliance (GRC).

Ansarada is a SaaS platform that companies, advisors and governments rely on for securely managing: critical information; workflow and collaboration across transactions; processes; risk management; and reporting. Put simply, Ansarada brings order to chaos. We believe when information and processes are structured correctly, organisations gain the insight and confidence required to achieve better outcomes. Our best of breed software has been trusted by over 600,000 unique users across 180 countries to execute over 35,000 critical business transactions.

One of the highlights of the year was the acquisition of TriLine GRC that was completed in October. TriLine is a market leading governance, risk and compliance SaaS company with customers in Australia, New Zealand, the UK and Ireland. With an end-to-end GRC solution, it adds ten additional modules to Ansarada's platform and accelerates our revenue growth in the GRC $50bn+[1] addressable market.

Having over 5,200 customers and market leading solutions, we are successfully transforming into a high-quality business model with a strong competitive moat. We have the commitment and will use our balance sheet strength to continue to invest in our growth strategy. Ansarada is in the strongest position to date to deliver durable, long-term growth through the economic cycle.

Advances in digital and channel expansion, product development and sales and marketing capability are strengthening our business and making it easier for customers to standardise on our platform. At 30th June 2022, Ansarada employed over 200 people worldwide.

Despite some short-term weakness in M&A deal volumes we have a confident long-term outlook. Rising business complexity and compliance burdens continue to be tailwinds for us.
Our execution focus is on expanding our customer base, as well as converting new subscribers introduced to Ansarada through the partnership with Microsoft and innovative freemium offers. Ansarada's deferred contracted revenue is also the highest in our history, which will be recognised in FY23-FY25.

I am proud to be a member of the Ansarada team and excited by the way our inspirational CEO, Sam Riley and his impressive leadership team, care for their people and create long term growth opportunities and value for shareholders. I would like to thank my fellow directors for their contributions, all the employees at Ansarada for the support in creating these results, our loyal shareholders and, of course, our customers for their trust and support.

I look forward to updating you on our progress.

Peter James
Chairman, Ansarada

1 The global enterprise governance, risk and compliances market size was valued at USD 40.84 billion in 2021 and is projected to expand at a compound annual growth rate (CAGR) of 14.0% from 2022 to 2030 per Grand View Research.

"Having over 5,200 customers and market leading solutions, we are successfully transforming into a high-quality business model with a strong competitive moat. We have the commitment and will use our balance sheet strength to invest in our growth strategy"

CEO's Report

I am proud to report Ansarada has delivered growth and positive cash flow in FY22, and is executing well on the strategy to transform into a stronger, faster Ansarada with high quality, recurring revenues.

Our focus is on scaling in large complementary markets, with positive growth tailwinds.

We believe when information and processes are structured correctly, organisations gain the insight and confidence to achieve better outcomes and increase the value of their business too. Our purpose is to provide customers with SaaS solutions for their critical business processes that help establish and improve how well people, information and decisions are ordered across their critical business processes. We believe when organisations do this, they are better positioned to realise their growth potential and to protect themselves from risks.

In FY22 we delivered record revenue of $48.3m, an increase of 44% year on year. We added our largest ever number of new customers, up 52% year-on-year, with a heavy contribution in Q4 from our innovative freemium model now rolled out across every product and our partnership with Microsoft. This growth is evidence of demand for our solutions.

We are values and people led. Every day we apply our four values of Care, Curiosity, Courage and Change into our business to create a better environment for our people and for customers. These values drive our thinking and actions. They deliver focus on innovation and growth that is anchored in serving others and delivering more value to them. We believe if we add enough value to enough people, we in turn become more valuable.

To generate and capture more demand we deployed dozens of improvements right across our business that make it easier for customers to find solutions, find value quickly and use them without initial cost or risk. These improvements made our solutions simpler and more personalised for people, which translated into improved conversion rates and scalability.

Reported M&A deal volumes peaked during the year and began to subside in Q4 as interest rates moved higher and equity markets became more volatile. The gap that has widened now between "willing buyer and willing seller" will close up and we are well positioned to benefit from that, as we always have done throughout our 15 year history. Despite the recent reduction in deal volumes overall, we continue to be the dominant platform of choice for the deals that are being executed in our key markets.

> "All of our products are highly scalable. With a strong customer base and balance sheet, we are in an ideal position to invest more into growth and maintain healthy customer acquisition costs. We generated $6.3m of free cash flow in FY22, and closed the year with a cash balance of over $22m and no debt."

Furthermore, this environment creates growth opportunities for us. Investment into infrastructure planning, funding and delivery increases and we have the leading solution for that. It elevates the need for organisations to bring increased order to the management of critical information and processes. Customers need security, speed and efficiency and must build more trust with their key stakeholders. Standardising on the Ansarada platform provides the step change in process improvement that so many organizations need.

We are seeing increasing demand for our new solutions across our expanded product suite. These non-M&A solutions include board, risk, compliance and ESG, specifically in insolvency, refinancing, infrastructure delivery/tenders and GRC. These new markets are less economically sensitive and enable us to generate repeating subscriptions and multi product customer relationships. With over $50bn of addressable market we have the runway to deliver long term sustained growth and high returns for shareholders.

All of our products are highly scalable. With a strong customer base and balance sheet, we are in an ideal position to invest more into growth and maintain healthy customer acquisition costs. We generated $6.3m of free cash flow in FY22, and closed the year with a cash balance of over $22m and no debt. Our road maps are full of new products, features and enhancements that will improve attracting, converting and retaining a greater number of customers for recurring use cases.

There is more to come from our focused and committed team. We are working smarter and harder than ever to maximise data and digital based methods to remove even more friction for customers and personalise their experience. With record deferred revenues, the opportunity to convert large numbers of customers into subscribers and the scope to build further in less cyclical markets, we are well placed to continue our success in FY23.

I'm proud to say we have a courageous and committed team who delivered results in abundance in FY22. We are busy with exciting plans for the year ahead that everyone is passionate about executing. We are all thankful for the trust customers place in us every day and we are driven to repay that trust by helping them more than ever in FY23. In doing so, we will realise our own potential and deliver great value for shareholders.

In closing, I would like to thank the Directors, management team and all my colleagues at Ansarada for their outstanding contributions and dedication. I look forward to sharing news of our ongoing success.

Sam Riley
CEO, Ansarada

"I'm proud to say we have a courageous and committed team who delivered results in abundance in FY22. We are busy with exciting plans for the year ahead that everyone is passionate about executing."

Operating and Financial Review

Principal Activities

Ansarada is a SaaS platform with products used by the world's top companies, advisors and governments to govern their most critical information and processes in deals and transaction management, board management, compliance and tenders. Ansarada enables organisations across the globe to be run more efficiently, with reduced risk and an increased ability to make fast confident decisions.

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 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. 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's market-leading solutions are scalable and serverless and leverage artificial intelligence and machine learning. Its solutions have supported more than 35,000 critical events for a diverse and global active customer base of more than 5,200 active[1] customers at 30 June 2022 comprising medium and large corporates, small businesses, advisors (including investment banks, legal and accounting advisory firms), state governments, local councils and financial sponsors (including asset managers, private equity firms and venture capital firms). Ansarada is a truly global business with 43% of the Group's $48.3 million FY22 revenue generated outside of Australia and over 603,000 unique users[2] across 180 countries.

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.

During FY22, Ansarada acquired TriLine GRC, a market leading governance, risk and compliance SaaS platform with customers in Australia, New Zealand and the U.K. This acquisition extends the solution Ansarada can offer to new customers and both TriLine GRC customers and across the Ansarada customer base.

As at 30 June 2022, the Group currently employs over 200 people across its offices located in Sydney, Chicago, London, Amsterdam, Johannesburg and Ho Chi Minh City.

[1] 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. Customer numbers include customers acquired through the freemium strategy. [2] As at 30 June 2022, refers to unique data room user profiles (unique profiles excludes those deleted or disabled).

Our portfolio of SaaS governance solutions

Ansarada's efficient and straightforward end-to-end SaaS offering allows customers to structure information and processes to gain the insight and confidence required to achieve better outcomes.

Customers use Ansarada's advanced deals platform to connect, share information, collaborate, communicate and facilitate the due diligence process while monitoring activity. The platform significantly assists customers in minimising 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. The Deals platform significantly assists customers in minimising 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.

The Tenders SaaS platform is purpose-built to securely run complex, high value tenders. It allows businesses to act fast and confidently, with full tender lifecycle management in a single platform.

Ansarada Board is a secure board portal online for preparing and running board meetings with functionality to simply set agendas, create board packs, vote, take minutes, assign actions and store files. It allows Boards to maintain compliance, mitigate risk and drive efficiency.

Ansarada's GRC software brings an end-to-end GRC framework into one dedicated and automated system, providing certainty, confidence and a full audit trail to prove compliance at every step of the way. The platform eliminates the risk associated with manual or disparate systems, and allows for a consistent and simplified approach to meeting governance, risk and compliance requirements through the aid of digitisation, automation and intelligent reporting.

Ansarada's ESG pulse check diagnoses an organisations strengths and opportunities with ESG to share with their stakeholders, and prioritises next steps on their ESG journey.

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

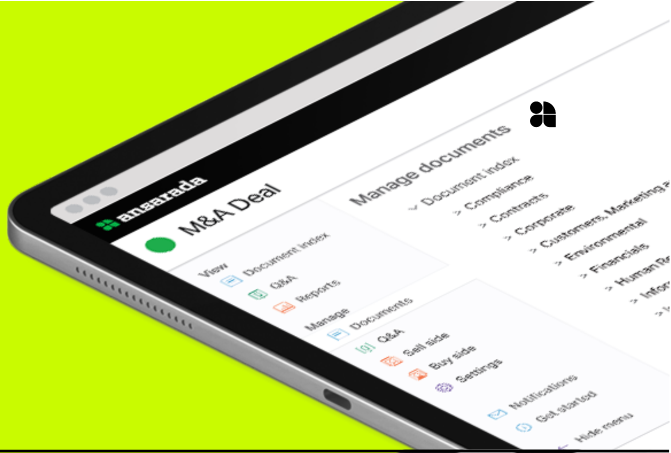
Control

Set agendas, create board packs, vote, take minutes, assign actions and store files. Maintain compliance, mitigate risk and drive efficiency

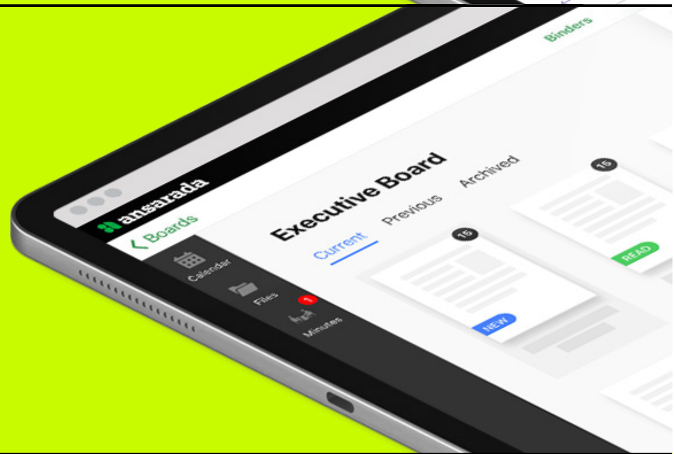
Ansarada delivers its offering without any software plug-ins or downloads, which provides a seamless experience for businesses and advisors.

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.

Deals



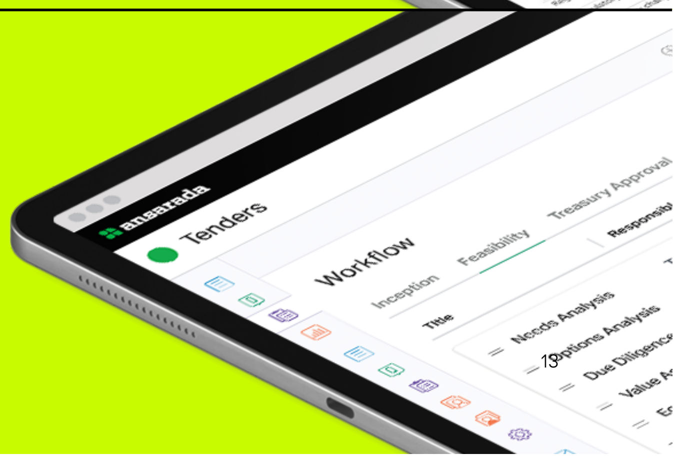
Board



ESG

GRC

Tenders



Operating Results

	30 June 2022 $'000	30 June 2021 $'000	Change YOY %
Revenue	47,739	33,119	44%
Other income	555	306	81%
Total revenue and other income	**48,294**	**33,425**	**44%**
Cost of revenue	(2,468)	(1,173)	110%
Gross profit	**45,826**	**32,252**	**42%**
Gross margin percentage	95%	96%	-1%
Product design and development[1]	(10,370)	(9,149)	13%
Sales and Marketing[2]	(18,313)	(11,552)	59%
General and Administration[2]	(12,236)	(8,550)	43%
Total operating expenses before depreciation and amortisation, and impairment	**(40,919)**	**(29,251)**	**40%**
Percentage of operating revenue	85%	88%	-3%
Total operating profit before depreciation and amortisation, and impairment	**4,907**	**3,001**	**64%**
Impairment	(96)	(34)	182%
Depreciation and amortisation[3]	(10,966)	(10,276)	7%
Total operating expenses	**(51,981)**	**(39,561)**	**31%**
Total operating loss	**(6,155)**	**(7,309)**	**-16%**
Finance income	6	9	-33%
Finance expense	(906)	(989)	-8%
Fair value adjustment - Convertible Notes and Warrants	–	9,072	-100%
Net finance Income/(expense)	**(900)**	**8,092**	**-111%**
Profit/(Loss) before income tax	**(7,055)**	**783**	**-1,001%**
Income tax benefit/(expense)	**(1,552)**	(141)	1,001%
Profit/(Loss) for the year	(8,607)	**642**	**-1,414%**
	30 June 2022 $'000	**30 June 2020 $'000**	**Change YOY %**
Key management non-GAAP financial measures			
Adjusted EBITDA[4]	5,977	5,879	2%
Adjusted cash flow from operations[5]	12,570	9,090	38%
Adjusted free cash flow[6]	6,291	1,997	215%
	Cents	**Cents**	**Change YoY%**
Earnings per share (EPS) attributable to owners of Ansarada Group Limited			
Basic earnings per share (cents)	0.10	1.06	-91%
Diluted earnings per share (cents)	0.09	1.06	-92%

[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 FY22, Ansarada continued to execute its growth and transformation strategy delivering healthy financial performance.

During FY22, Ansarada delivered strong operating revenue growth of 44% year-on-year and positive adjusted cashflow from operations[1] of $12.6 million, an increase of 38% year on year. Free cash flow was driven by an increase in receipts from customers of $14.5 million or 38%, to $52.7 million year-on-year in line with revenue growth.

The FY22 results include the operations of TriLine GRC Pty Ltd acquired in October 2022.

Ansarada achieved an operating revenue milestone of $48.3 million in FY22. EBITDA increased by $1.9 million, or 64% to $4.9 million. EBITDA margins increased by 1% against FY21, highlighting increase in revenue growth and offset with increase in operating expenses as a result of a focus on customer expansion and new product offerings and the TriLine GRC acquisition.

The increase in revenue was primarily driven by subscriber[2] growth of 11% to 2,851 and Average Revenue Per Account per month (ARPA) growth of 23% to $1,204. Ansarada's freemium model contributed to improved customer growth as the Company continued to make improvements right across our business that make it easier for customers to find solutions, find value quickly and without risk. Ansarada's total customers[3] increased by 52% to 5,251 compared to prior year, which gives the Company a great opportunity to convert record customer numbers into subscribers. This demonstrates the increasing demand of Ansarada's solutions throughout deals, board, compliance and tenders.

Ansarada reports a gross profit of $45.8 million for the year, compared to $32.3 million for the year to 30 June 2021. Gross margin has decreased by 1% to 95% for the period ended 30 June 2022. Gross profit decreased by 1% as revenue increased by $14.9 million and offset with an increase in cost of revenue of $1.3 million. The primary reason for the change in the cost of revenue of $1.3 million was due to one-off adjustments of $1 million in FY21 as the Company began capitalising incremental costs of obtaining revenue contracts of $0.6 million in accordance with AASB 15 and impairment of cost of revenue contract of $0.4 million.

Ansarada continued to invest in technology, developing and scaling its product offerings, helping to drive subscriber growth. This was reflected in the total operating expense excluding depreciation and amortisation and impairment for FY22 which increased by $11.7 million. This increase is in line with Ansarada's growth strategy, particularly investment in sales and marketing expense as Ansarada prepares for its continued growth and customer expansion. Also, total operating expenses excluding depreciation and amortisation and impairment for FY22 improved as a % of total operating of 3% from 88% in FY21 to 85% in FY22 as a result of increased growth in revenue compared to operational costs.

Total operating profit excluding depreciation and amortisation and impairment is $4.9 million in FY22 compared to $3.0 million in FY21.

Depreciation and amortisation of $11 million (which is included in operating expenses) increased by $0.7 million, or 7%, compared to FY21. The increase is due to additional amortisation of $1 million in relation to the acquired software of TriLine GRC Pty Ltd. Refer to note 35, for further information in relation to the Business Combination of TriLine GRC Pty Ltd.

Ansarada recognised a net loss of $8.6 million compared to a net profit of $0.6 million in FY21. The net loss was impacted materially by non-cash depreciation and amortisation of $11 million and non-cash deferred tax expense of $1.4 million. The deferred tax expense of $1.4 million is in relation to the restrictions on what is permitted to be included in future taxable income forecasts under accounting standards. The company took a prudent view to de-recognise $1.4 million of deferred tax during the year. These losses remain available for the company to recognise as an offset to future taxable incomes, subject to usual tax law criteria.

Also, there were additional one-off transaction costs of $0.4 million associated with the acquisition of TriLine GRC Pty Ltd and Ansarada Vietnam Ltd which impacted net loss. Net profit for FY21, was impacted by one-off benefit in relation to fair value adjustment of $9 million.

[1]Adjusted cash flow from Operations is adjusted for one-time costs including business combination costs and restructure payments. [2]Subscriber refers to pro forma active subscription contracts/customers at period end. [3]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. Customer numbers include customers acquired through the freemium strategy.

Revenue

Subscription revenue comprises recurring annual, 6 month, 3 month 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 deals or tenders platform usage (e.g. amount of data uploaded). 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.

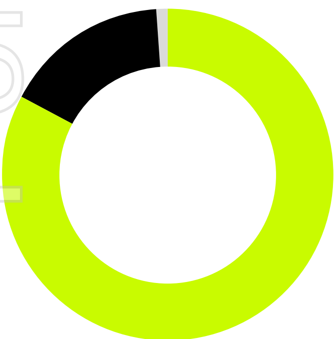
Other income consists of archive fee income and other miscellaneous items.

Year ended	30 June 2022 $'000	30 June 2021 $'000	% Change
Platform Subscription revenue	40,251	26,585	51%
Transactional revenue	7,488	6,534	15%
Other income	555	306	81%
Total revenue and other income	**48,294**	**33,425**	**44%**
Pro forma subscription revenue[1]	641	358	79%
Total pro forma revenue and other income	**48,935**	**33,783**	**43%**
Platform Subscription revenue as a % of total pro forma revenue	**84%**	**80%**	**4%**
Transaction and other revenue as a % of total pro forma revenue	**16%**	**20%**	**-4%**

As at:	30 June 2022 $'000	30 June 2021 $'000	% Change
Deferred revenue[2]	16,932	13,942	21%

Revenue by category FY2022

- Subscription Revenue 83%
- Transactional Revenue 16%
- Other Income 1%



Revenue by category FY2021

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

[1] 1 FY22 Pro forma subscription revenue includes four months of recognised revenue for FY22 of TriLine GRC Pty Ltd and its Subsidiaries. As the acquisition was completed on the 29th October 2021, revenue from TriLine is not included in the Consolidated Statement of Profit and Loss and Other Comprehensive Income. FY21 Pro forma subscription revenue includes five months of Ansarada Group Limited (formerly thedocyard Limited). As the acquisition was completed on the 4th December 2020, revenue from thedocyard 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 2022 was $48.3 million compared to $33.4 million for the year to 30 June 2021. This increase was primarily driven by execution of FY22 focus on top of funnel expansion, with record customers and subscriber growth across products and geographies, with an increase in subscriber numbers of 11% and ARPA of 23% compared to 30 June 2021. This growth reflected strong and continued demand in Ansarada's solutions including verticals such as debt, capital, mergers and acquisitions, infrastructure delivery/tenders, GRC and Board. In addition, Ansarada demonstrated its investment to extend and enrich its platform and product offerings through the acquisition of TriLine GRC. TriLine GRC is a market leading governance, risk and compliance SaaS company that allows customers to gain visibility, improve performance and reduce cost of their risk management activities. Overall, the acquisition of TriLine in FY22 accounted for 4% of revenue growth from FY22 to FY21.

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 10% of total operating revenue and increased by $3.9 million or 393% compared to FY21.

Deferred revenue has grown to $16.9 million, an increase of 21% compared to 30 June 2021. This is the result of record subscriber numbers, which will drive revenue growth and profitability, as well as increase the amount of recurring revenue and visibility into future growth. The increase also reflects the Company's strategy to target enterprise and infrastructure delivery/tenders which typically have longer contract periods and value.

In relation to the $16.9 million deferred revenue, $15.2 million will be recognised in FY22 and $1.7 million will be recognised between FY23 and FY25. The increase in deferred revenue reflects the value of the subscription-based business model and the company has a strong foundation to continue revenue growth in future financial periods.

Revenue by geographic location	30 June 2022 $'000	30 June 2021 $'000	% Change
ANZ (Australia and New Zealand)	27,289	18,164	50%
North America	4,409	3,667	20%
Asia	2,371	1,537	54%
Europe	7,243	5,237	38%
Middle East and Africa	2,461	1,767	39%
United Kingdom	4,521	3,053	48%
Total revenue by geographic location	**48,294**	**33,425**	**45%**

Revenue by geography FY2022

ANZ 57%
Other 43%

Revenue by geography FY2021

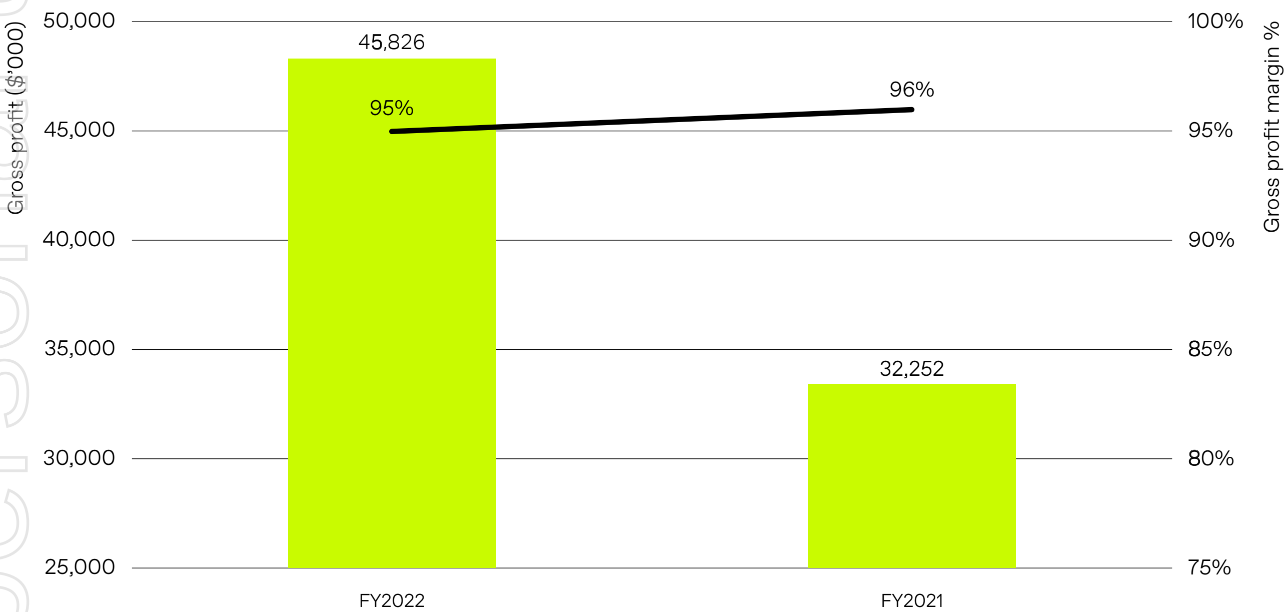
ANZ 54%
Other 46%

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 deal platform archive expenses.

Year ended	30 June 2022 $'000	30 June 2021 $'000	% Change
Revenue and other income	48,294	33,425	44%
Cost of revenue	(2,468)	(1,173)	110%
Gross profit	45,826	32,252	42%
Gross profit margin %	95%	96%	-1%

Gross Profit



Ansarada reports a gross profit of $45.8 million for the year, compared to $32.3 million for the year to 30 June 2021. Gross margin has decreased by 1% to 95% for period ended 30 June 2022. The primary reason for the change in the cost of revenue of $1.3 million was due to one-off adjustments of $1 million in FY21 such as the Company began capitalising incremental costs of obtaining revenue contracts of $0.6 million in accordance with AASB 15 and impairment of cost of revenue contract of $0.4 million. This increase in cost of revenue was offset with an increase of $14.9 million, or 44% in operating revenue to maintain strong gross profit margin of 95%.

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

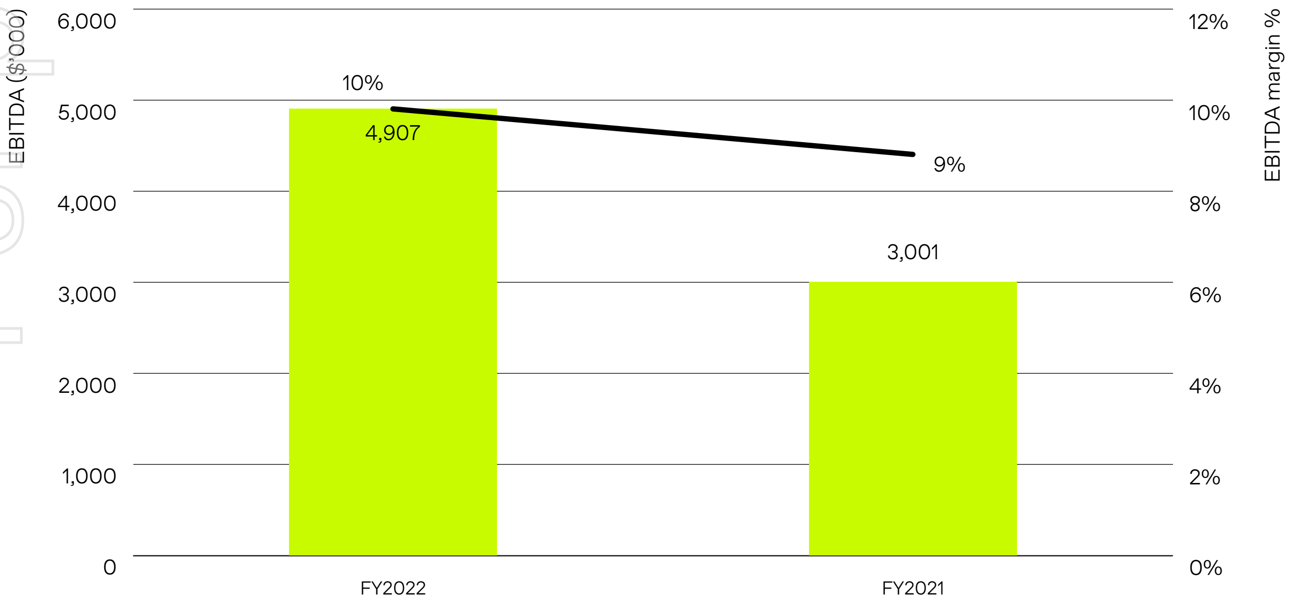
EBITDA is a key earnings measure considered by management in operating the business. This measure has been provided as we believe it provides useful information for readers in understanding Ansarada's financial performance.

Year ended	30 June 2022	30 June 2021	% Change
Profit/(Loss) for the year	(8,607)	642	-1,441%
Add back: Current tax expense	111	141	-21%
Add back: Deferred tax expense	1,441	–	100%
Statutory Profit/(loss) before income tax expense	**(7,055)**	**783**	**-1,001%**
Add back: net finance expense	547	522	5%
Add back: net finance income	(6)	(9)	-33%
Add back: Fair value Convertible Note	–	(9,072)	-100%
Add back: business combination costs	359	467	-23%
Add back: depreciation and amortisation expense	10,966	10,276	7%
Add back: non-cash impairment intangible assets	96	34	182%
EBITDA	**4,907**	**3,001**	**64%**
EBITDA margin	**10%**	**9%**	**1%**

EBITDA improved by $1.9 million to $4.9 million, up 64% compared to FY21, resulting in EBITDA as a percentage of revenue increasing from 9% in FY21 to 10% in FY22.

The improvement in FY22 EBITDA was primarily driven by increase in revenue of $14.9 million, or 44% from the comparative period. The increase in revenue was offset with increase in operational costs of $12.4 million, or 31% from the comparative period and Ansarada continued to invest in the foundations to execute FY23 strategy and growth. Operational costs as a percentage of revenue decreased from 88% in FY21 to 85% to FY22 as a result of operational efficiencies and strong growth in revenue.

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



Adjusted EBITDA

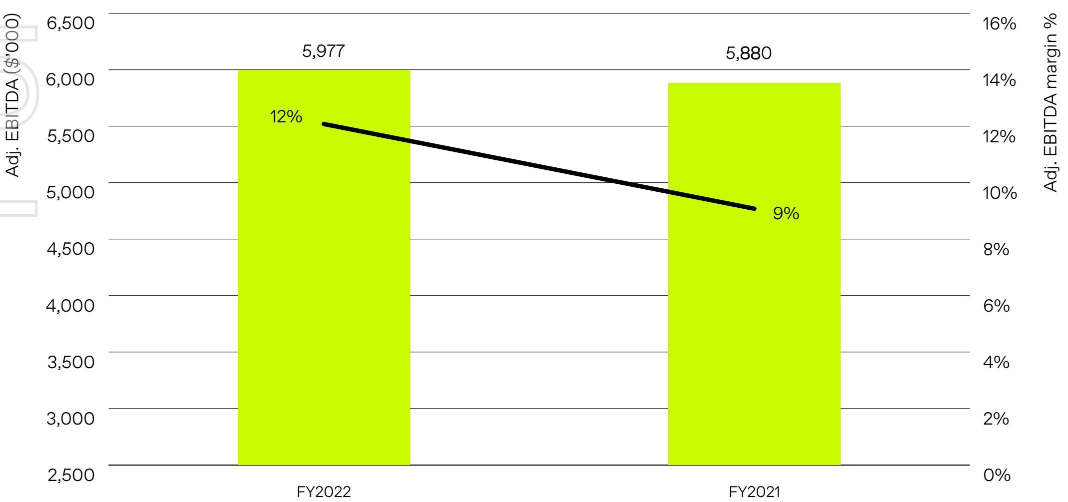
Adjusted EBITDA represents earnings before interest, tax, depreciation and amortisation ("EBITDA"), excluding non-cash share-based expense, non-cash impairments, capital raising, business combination fees, redundancies expenses and other abnormal one-time costs. Underlying information, including this 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 2022	30 June 2021	% Change
Profit/(Loss) for the year	(8,607)	642	-1,212%
Add back: Current tax expense	111	141	-21%
Add back: Deferred tax expense	1,441	–	100%
Statutory Profit/(loss) before income tax expense	**(7,055)**	**783**	**-1,001%**
Add back: net finance expense	537	522	3%
Add back: net finance income	(6)	(9)	-33%
Add back: Fair value Convertible Note	–	(9,072)	-100%
Add back: business combination costs	359	467	-23%
Add back: depreciation and amortisation expense	10,966	10,276	7%
Add back: non-cash share-based expense	1,070	2,032	-47%
Add back: ex-gratia payments	–	655	-100%
Add back: impairment third-party supplier	–	(388)	100%
Add back: non-cash impairment intangible assets	96	34	182%
Add back: restructure payments[1]	–	580	-100%
Adjusted EBITDA	**5,977**	**5,880**	**2%**
Adjusted EBITDA margin	**12%**	**9%**	**3%**

Adjusted EBITDA for FY22 was $6.0 million, an increase of $0.1 million or 2% compared to FY21. The marginal increase in Adjusted EBITDA in FY22 includes non-cash share based-based payments of $1.1 million and non-cash impairments of intangible assets of $0.1 million compared to additional one-off expenses in FY21 of $1.7 million as a result of the acquisition of 100% of the share capital in Ansarada NewCo Pty Limited. This resulted in Adjusted EBITDA improving as a percentage of operating revenue by 3%, even considering the $1.7 million of additional one-off expenses in FY21 due to the strong and continued growth in Ansarada's revenue.

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



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 investing activities, excluding cash used for acquisitions of, and investments into, businesses and strategic assets.

Cash flows and liquidity Year ended 30 June 2022	30 June 2022 $'000	30 June 2021 $'000	% Change
Receipts from customers	52,706	38,163	38%
Other operating cash flows	(40,505)	(31,614)	28%
Add back: business combination costs	369	721	-49%
Add back: capital raise and IPO fees	–	298	-100%
Add back: restructure costs	–	580	-100%
Add back: ex gratia payments	–	655	100%
Add back: cancellation of share options	–	287	100%
Total adjusted cash flow from operating activities	**12,570**	**9,090**	**38%**
Investing activities	**(11,810)**	**(5,105)**	**131%**
Add back: cash acquired on acquisition of business	(498)	(1,988)	-125%
Add back: cash paid on acquisition of business	6,029	–	100%
Free cash flow	**6,291**	**1,997**	**215%**
% of operating revenue	**13%**	**6%**	**7%**

Adjusted cash flow from operating activities increased by 38% to $12.6 million as receipts from customers increased by 38% compared to other operating cash flows of 28%. Adjusted cash flow from Operations in FY22 is adjusted for business combination costs of $0.4 million.

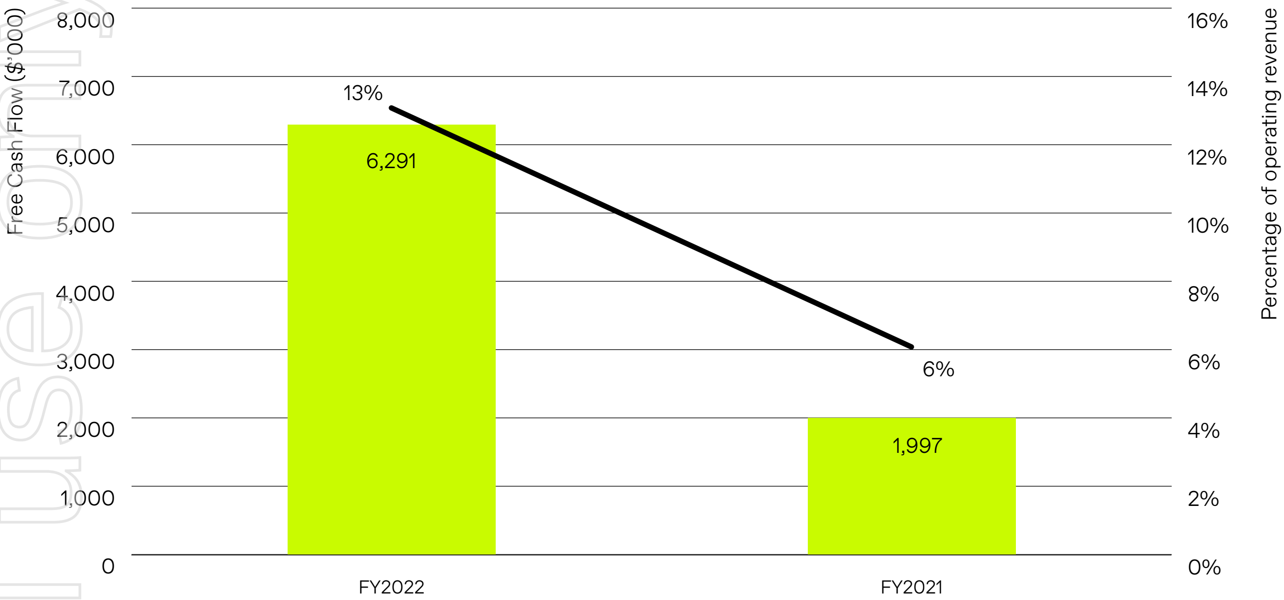
Receipts from customers increased by 38% or $14.5 million, year on year to $52.7 million. This is aligned to operating revenue growth of 44% and subscriber growth of 11%. The Company has a trade receivable balance of $5.1 million as at 30 June 2022, with $4.7 million of this balance with an ageing of 30 days and less.

Cash outflows from investing activities increased by 131% or $6.7 million. $5.5 million of this increase is related to the acquisition of business net of cash acquired including TriLine ($4.9 million) and Ansarada Vietnam ($0.6 million). Investing cash flows excluding cash paid on acquisition of business net of cash acquired decreased by $0.8 million or 11%. The decrease was largely driven by lower capitalised spend on product design and development, which decreased by $0.7 million or 14% compared to FY21. In previous years, Ansarada made significant investments to transition the product platform to a SaaS-based platform model supporting subscription pricing. As the development of the platform is largely complete, innovation and product development continued but overall product design and development investment decreased.

Overall, free cash flow increased by $4.3 million to $6.3 million, equating to 13% of total operating revenue, compared to free cash flow of $2 million or 6% of total operating revenue in FY21.

Total available liquidity (defined as cash at bank and on hand and short-term deposits) at 30 June 2022 was $22.4 million and the Company has no debt.

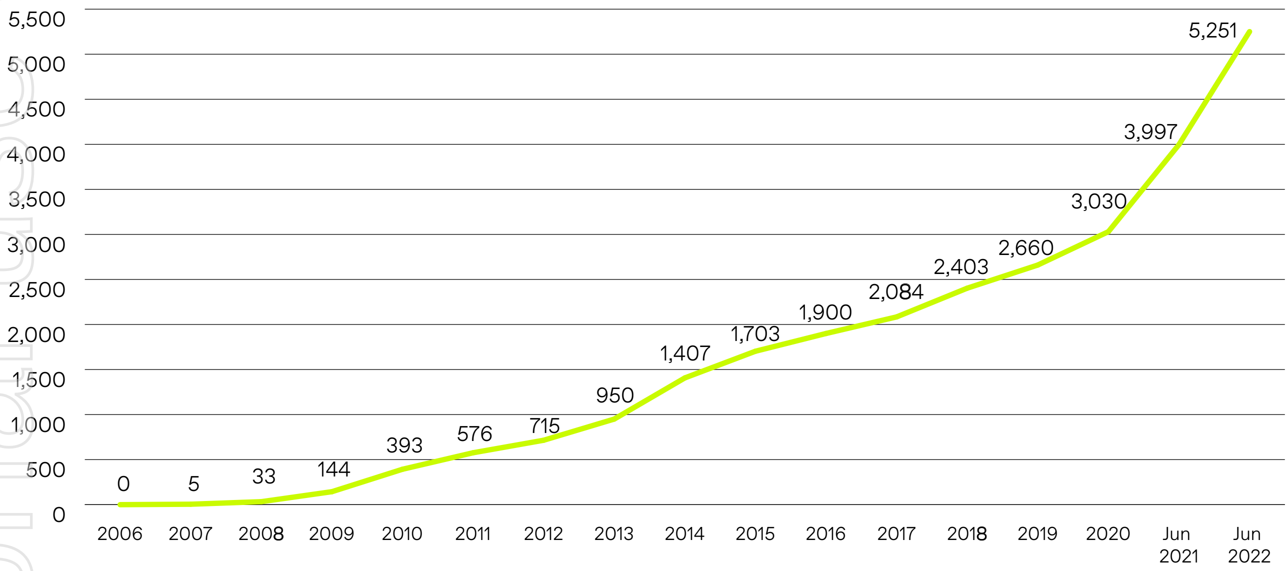
Free Cash Flow



Customers

Under Ansarada's ongoing growth strategy, total pro forma[1] active customers increased 52% YoY to 5,251 at the end of June 2022. In addition, subscription customer numbers reached 2,851 in the period, up 11% YoY, continuing the Group's transition to increased subscription contracts and longer-term contracts[2].

Active Customers: Continuous and accelerating growth



Keeping up with the pace of change

"From a PE perspective, the pace of change has increased rapidly and that's where Ansarada is providing the technology – the platform – to enable advisors to really get into the detail of what's going on, what does this mean, what are the insights."

Graham Stokoe
Head of Private Equity - EY Africa

[1]Pro forma includes customers from the prior year before the completion of the combination of the merged companies. [2]Subscription customer numbers include Ansarada Group Limited (formerly thedocyard), TriLine GRC and E-commerce channels.

Performance Metrics

	30 June 2022	30 June 2021	% var
Customers	5,251	3,453	52%
Subscribers	2,851	2,566	11%
ARPA	1,204	976	23%

The Group continued to invest in product and sales and marketing to drive record increase in customers[1], up 52% compared to FY21, with total customer numbers reaching a record 5,251. The implementation of a freemium customer acquisition strategy, where customers are able to enter the product with less friction to experience value before conversion to a paid subscriber contributed to the record customer numbers.

Subscribers[2] also grew to a record 2,851, up 11% from 2,566 in FY21.The Group's strategy of driving more highly recurring enterprise revenue, defined as multi-product or multiple use under a single subscription including GRC continues to develop with enterprise revenue of 12% of total revenue in FY22.

The Group has long standing relationships with many of its customers, as illustrated by 75% of Top 20 deals customers being with us for over 2 years and 60% over 6 years. We are continuing to build longer relationships with customers and offering new products and features to broaden the relationship.

Pricing and packaging changes in FY21 and early in FY22 contributed to a 23% increase in ARPA[3] to $1,204 per month, which combined with the subscriber growth drive record revenues of $48.3 million.

E-commerce

Our e-commerce channel continued to improved its key metrics from acquisition to conversion, delivering 520 active customers[4] at end of June 2022, a 114% 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 FY23.

Great Place To Work Certified MAY 2021 – MAY 2022 AUS

Great Place To Work Certified for 12 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 12 years running, and in Ho Chi Minh City from last year.

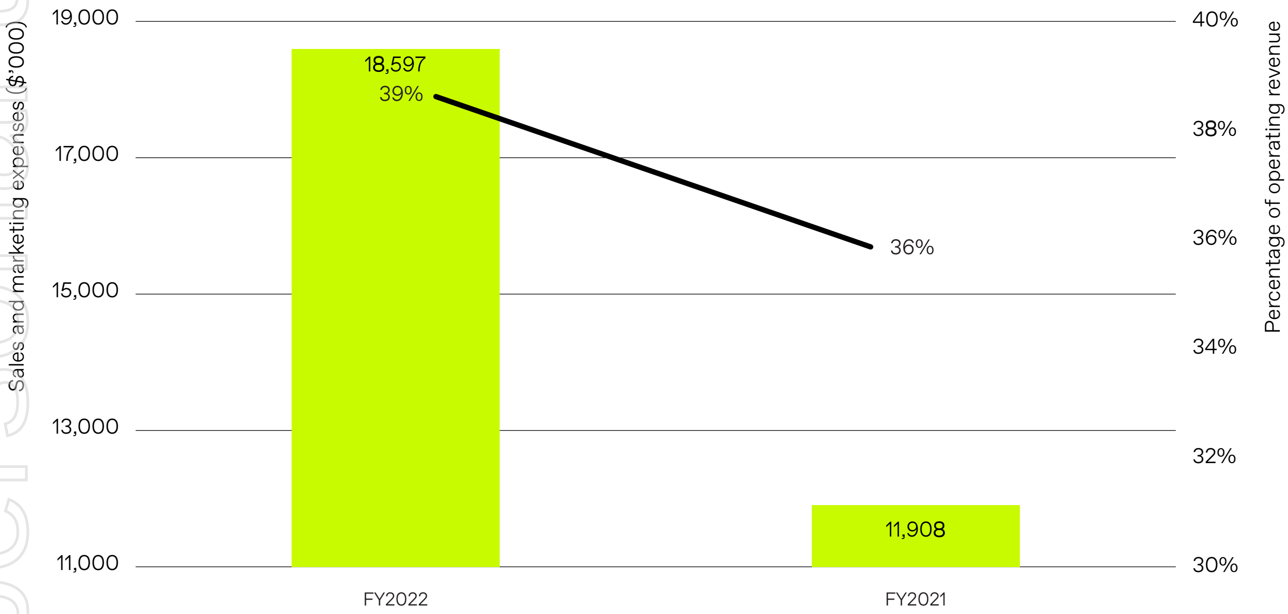
[1]Active customers includes any subscription/contract with an active platform. Customers may have more than one deal platform, board portal or governance solution open at any given time. Customer numbers include customers acquired through the freemium strategy.[2]Subscriber refers to pro forma active paid subscription contracts/customers at period end. [3]ARPA represents the average monthly revenue generated from customers on subscription-based contracts. [4]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 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 2022	30 June 2022 $'000	30 June 2021 $'000	% Change
Sales and marketing expenses	18,597	11,908	56%
Percentage of operating revenue	39%	36%	3%

Sales and Marketing Expenses as a % of revenue



Sales and marketing costs increased by $6.7 million, or 56%, compared to FY21, to $18.6 million for FY22. The majority of sales and marketing costs are incurred to acquire new subscribers and are expensed in the period. This is in contrast to the associated revenue from those subscribers, which is recognised over the life of the subscriber.

The average cost of acquiring a subscriber increased to $4,400 per gross subscriber added in FY22 compared to $3,600 per gross subscriber added in FY21. The increase reflects a change in investment mix as Company targets international expansion scaling verticals and launching new products. The change also reflects higher customer additions of 52% in FY22 compared to FY21

As a percentage of operating revenue, sales and marketing expenses increased by 3%, from 36% in FY21 to 39% in FY22. 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 e-commerce channel now represents 10% of total operating revenue and increased $3.9 million or 393% compared to FY21. Furthermore, this has assisted the freemium customer acquisition strategy contributing to a increase of 52% in relation to customers, 5,251 as at 30 June 22, compared to 3,453 in previous year. This gives the Company an opportunity to convert customers numbers into subscribers. The Company also continues to invest in its sales methodology, headcount, systems and training, brand, content and distribution channels. There was a 17% increase in sales and marketing expense in 2HFY22 compared to 1HFY22 corresponding with growth. 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. There was a $2.5 million year-on-year increase in external advertising and marketing costs in FY22 compared to FY21, as a higher proportion of sales and marketing expense was used for external campaigns.

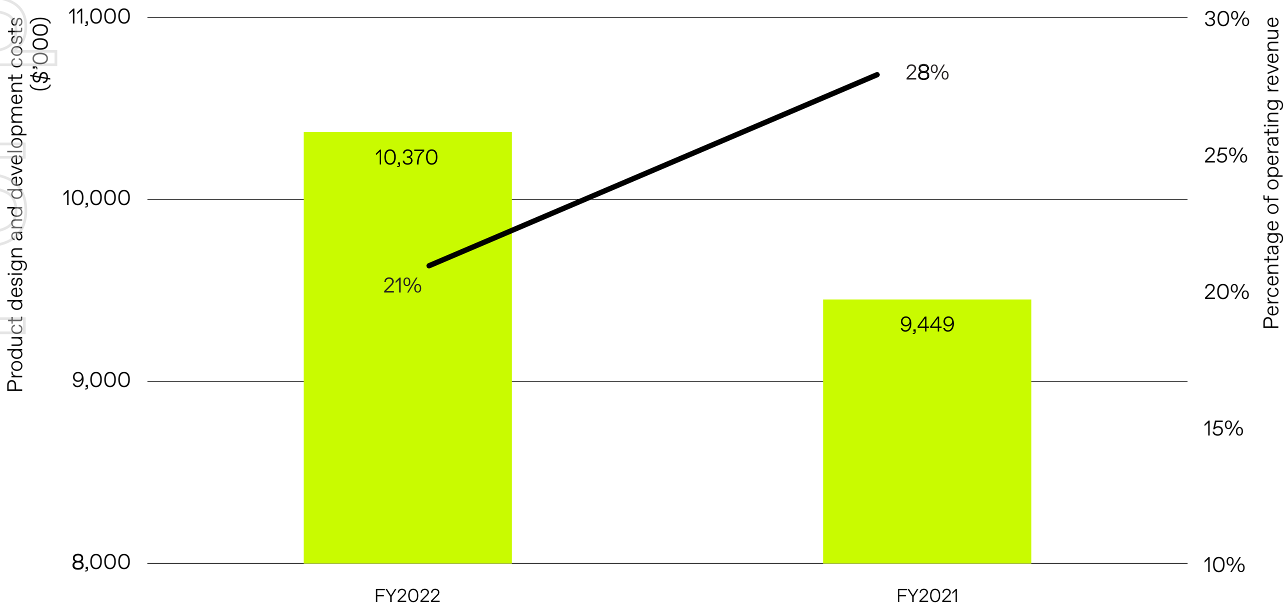
Product design and development

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. It also includes relevant software licenses, security testing and hosting costs.

Year ended 30 June 2022	30 June 2022 $'000	30 June 2021 $'000	% Change
Product design and development costs (including amounts capitalised)*	**14,725**	**14,518**	**1%**
Percentage of operating revenue	30%	43%	-13%
Less: capitalised development costs	(4,355)	(5,069)	-14%
Product design and development costs (excluding amounts capitalised)	**10,370**	**9,449**	**10%**
Percentage of operating revenue	21%	28%	-7%
Add: amortisation and depreciation	10,437	9,375	11%
Add: impairment of capitalised development costs	96	32	200%
Product design and development expenses	**20,903**	**18,856**	**11%**
Percentage of capitalised costs of total product design and development costs (excluding depreciation and amortisation)	**30%**	**35%**	**-5%**
Percentage of operating revenue	43%	56%	-13%

*Excludes depreciation, amortisation and impairment expenses.

Product design and development costs (excluding amounts capitalised, depreciation and amortisation) 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 security and growth. Some key new product features in FY22 included extended workflow solution for increased deal and business process automation, world's first deal and board platform combined which includes a new web app, end-to-end governance, risk and compliance solution, refined e-commerce platform giving companies and advisors the ability to buy online in minutes and the freemium acquisition channel, removing friction for customers to experience the product's value before converting to a paid subscriber.

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 three 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 statement of profit or loss and other comprehensive income.

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 innovating and 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.

The Company invested $4.4 million in capitalised costs during FY22 which is a decrease of $0.7 million or 14% from the comparative period. Capitalised development costs as a percentage of total product design and development costs (excluding depreciation and amortisation) was 30% for FY22. This was a 5% decrease from 35% in FY21. 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 being the main driver for the 5% decrease.

Total product design and development costs (excluding capitalisation) increased by $2.0 million, or 11%, from $18.9 million in FY21 to $20.9 million in FY22. Of this, $10.4 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 FY22 (excluding amounts capitalised, amortisation and depreciation) decreased by 7% to 21%. Total product design and development costs (excluding capitalisation, amortisation and depreciation) increased by $0.9 million, or 10%, from $9.4 million in FY21 to $10.4 million in FY22. The increase was attributed to lower capitalisation of 30% compared to 35% in FY20 as mentioned in the above paragraph and offset with other operational efficiencies.

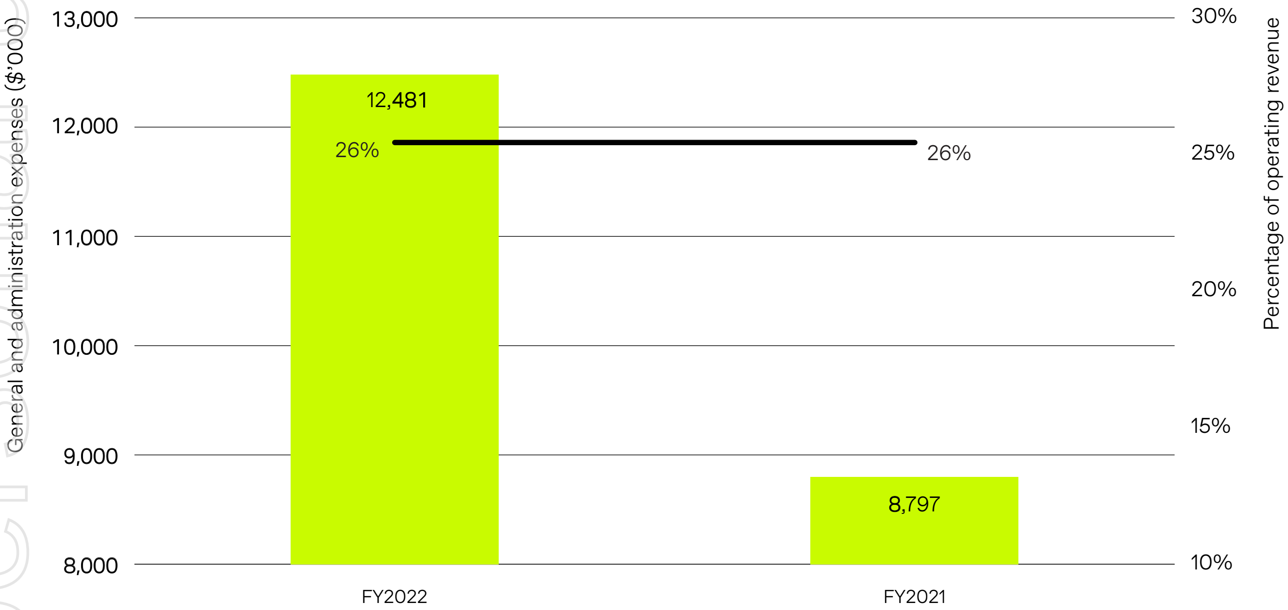
The amortisation and depreciation of $10.4 million is included in accounting loss of $8.6 million. Amortisation and depreciation decreased by $1.1 million. The main reason is due to additional amortisation of $1 million in relation to the acquired software of TriLine GRC. Refer to note 35, for further information in relation to the Business Combination of TriLine GRC Pty Ltd.

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 2022	30 June 2022 $'000	30 June 2021 $'000	% Change
General and administration expenses	12,481	8,797	42%
Percentage of operating revenue	**26%**	**26%**	**0%**

General and Administration Expenses as a % of revenue



General and administration expenses were $12.5 million for FY22, $3.7 million or 42% higher than FY21. This was largely attributable to the increase in professional services such as insurance and one-off consultancy fees in relation to the Company's growth strategy. Personnel-related expenses increased by $0.8 million from $6.5 million in FY22 vs $5.7 million in FY21.

General and administration costs as a proportion of operating revenue were consistent compared to FY21, at 26%.

Finance expense and fair value adjustments

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

Finance expense	**30 June 2022 $'000**	**30 June 2021 $'000**	**% Change**
Interest expense – bank	(256)	(189)	35%
Interest expense – lease liability	(283)	(265)	7%
Net foreign exchange gain/(loss)	2	(68)	-103%
Transaction costs – acquisition	(369)	(467)	-21%
Total Finance expense	**(906)**	**(989)**	**-8%**
Fair Value Adjustment			
Convertible Notes	–	8,520	-100%
Warrants	–	552	-100%
Total Fair value adjustment	–	**9,072**	**-100%**

Finance expense decreased by 8%, driven by decrease in transaction costs of $0.1 million in FY22. The prior year business combination costs are in relation to the acquisition of Ansarada NewCo Pty Ltd and current year business combination costs are in relation to the acquisition of TriLine GRC Pty Ltd and Ansarada Vietnam Ltd. The increase in interest expense is in relation to new lease acquired in Vietnam upon acquisition and also the current Sydney lease.

Employees

Year ended 30 June 2021	**30 June 2022 $'000**	**30 June 2021 $'000**	**% Change**
Total Group	203	131	54%

As at 30 June 2022, the Group currently employs over 200 people across its offices located in Sydney, Chicago, London, Amsterdam, Johannesburg, and Ho Chi Minh city. This is compared to a 52% increase in customers, 11% increase in subscribers and 44% increase in operating revenue. Headcount increased by 54% or 72 employees in FY22 compared to FY21, including as a result of the acquisition of TriLine GRC Pty Ltd and Ansarada Vietnam Limited.

Summary and Outlook

Transforming into a higher quality business model with more recurring revenues

3 Value Creation

Embedded critical operational software

Highly recurring relationships extending lifetime value

#Life time revenue

2 Expansion

Multi- product and scale

Product led growth driving multi-product usage

#conversion

1 Foundation

Deals
Tenders
Board
GRC
ESG

Investment in product and top of funnel

#customers

Summary and Outlook (continued)

Executing growth strategy delivers record results and we're only just getting started

01

Record results: 44% revenue growth, 12% EBITDA (ADJ) margin and 38% increase in Adj Cash Flow from Operations.

02

We have a strong track record of delivering great software that is relied upon by thousands of the world's best companies every day.

03

Our unique business model exposes and connects us to thousands of natural adjacent expansion opportunities.

04

Focus on scaling our solutions across insolvency, refinancing, infrastructure delivery/tenders, GRC and ESG to build new recurring revenue.

05

We are established internationally and operate in a large TAM that is continually growing as is our capability to capture it.

06

Continuing to transform into a higher quality business model with more recurring revenue. Long term growth, high margins, profitable and cash flow positive.

Remuneration Report

Contents

Remuneration Report (audited)

The Directors present the Remuneration Report (the Report) for the Company for the year ended 30 June 2022. 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.

01. Review of remuneration structure

1.1 Remuneration strategy and governance

The Board is responsible for ensuring that Ansarada's remuneration strategy and framework support the Group's long term 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, 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. Competitive remuneration is an important factor in attracting and retaining executive talent, and the Company continues to review the mix of long-term incentive plans (LTI), base salary, and short-term incentive (STI) components for both the CEO and executives where appropriate.

1.2 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.

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 4)
b. Executive KMPs (refer to section 5)

1.3 Remuneration components

Component	Description	Link to strategy and performance
Fixed Annual remuneration	• Base salary • Retirement benefits (superannuation)	Reviewed annually based on individual skills, experience, accountabilities, performance, leadership and behaviours.
Short-term incentives (STI)	• An at-risk component is set as a percentage of base salary • Calculated based on achievement against a range of Company-wide performance measures (financial and non-financial) and individual objectives	Rewards delivery of key strategic and financial objectives and is aligned to Ansarada's goals for growth, operational discipline, increasing employee engagement and protection of stakeholder interests.
Long-term incentives (LTI)	• 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. • Options are subject to a three-year vesting period and vest based on satisfaction of the vesting conditions. • Vesting is subject to continued employment, which provides an additional time-based retention incentive.	Rewards delivery against longer-term strategy and shareholder value creation.

1.4 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 of 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
Executive Directors			
Sam Riley	Australia	Chief Executive Officer (CEO)	Full year
Stuart Clout	Australia	Chief Revenue Officer (former CEO)	Full year
Non-Executive Directors			
Peter James	Australia	Chairman, Independent Non-Executive Director	Full year
David Pullini	Australia	Independent Non-Executive Director	Full year
Non-Director Executive KMP			
James Drake	Australia	Chief Financial Officer	Full year

1.5 Group performance

In considering the Group's performance and benefits for shareholder wealth, the Board have regard to the following indices in respect of the current financial year and the previous four financial years:

	FY18	FY19	FY20	FY21	FY22
Revenue	38.9	37.1	33.9	33.4	48.3
EBITDA	3.3	(11.7)	(3.9)	3.0	4.9

02. 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.

Component	Description
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%
Maximum opportunity (% base salary)	100% satisfaction of the STI performance metrics results in the following STI opportunity as a % of base salary: • CEO 33.33%, CFO 33.33% CRO 33.33%. • Outperformance is possible up to a maximum of 150% of the 33.33% of base salary.
Performance period	1 July 2021 to 30 June 2022.
Group targets (60%)	The percentage of the Group Performance Component of the 2022 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: • The Group's billed revenue for FY22 exceeds $43.2m (original target of $41.8m adjusted for the acquisition of TriLine GRC pro rata); • The Group's customers exceeds 4,384 as defined by the STI scheme (original target of 4,300 adjusted for the acquisition of TriLine GRC pro rata); and • No material security breach as determined by the Board.
Non-financial objectives (40%)	Non-financial metrics are based on individual key performance indicators (KPIs) – Goals aligned to Company strategic objectives, employee engagement and protection of stakeholder interests.
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 Board. All STI calculations are 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.

2.1 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 2022 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.

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

Ansarada achieved record customer growth in FY22, to achieve our strongest year ever. In FY22, EBITDA, net profit and operating cash flow increased strongly compared to FY21. This reflects top-line growth together with close management of expenses and considered capital allocation. Ansarada's outperformance in relation to billed revenue and customers resulted in an increase of 26% for all potential STI payments. Total customers were 4,521 (including TriLine GRC) exceeding the target of 4,384 and billed revenue was $50.9m (including TriLine GRC) exceeding the target of $43.2m. There was no major security breach in FY22. Therefore, all group targets (representing 60% of the total STI) were met.

Each KMP was assessed separately in relation to their individual key performance indicators. This performance is reflected in the outcomes against STI targets for the CEO, CRO and CFO.

03. 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.

Details of the different plans under which the KMP's have outstanding options are as follows:

2021 Employee Share Option Plan (ESOP)

In December 2020, upon completion of the purchase 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). 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. 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 32 Share-based payments in the Consolidated 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 period	Options vest annually in equal tranches over a three-year period.
Vesting conditions	Remain employed with the Group for the duration of the performance 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.

2022 Employee Share Option Plan (ESOP)

During the reporting period ending 30 June 2022, the Company granted 1,042,802 Long Term Incentive options under the employee share option plan (ESOP). 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. 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 (refer to note 32 Share-based payments in the Consolidated Financial Statements for further details).

<table>
<tr><th>Element</th><th>Details</th></tr>
<tr><td>Purpose</td><td>Rewards delivery against longer-term strategy and sustained shareholder value creation. Provides alignment between shareholder, customer, and executive outcomes and time-based retention through a three-year vesting period.</td></tr>
<tr><td>Grant date</td><td>Two grants were made on 31 August 2021 and 27 January 2022 respectively.</td></tr>
<tr><td>Vesting period</td><td>3 years</td></tr>
<tr><td>Vesting conditions</td><td>- Remain employed with the Group for duration of the performance period
- Satisfaction of total shareholder return targets as follows:
<table>
<tr><th>TSR CAGR</th><th>Vesting %</th></tr>
<tr><td>Below 15%</td><td>0%</td></tr>
<tr><td>At 15% (Threshold performance)</td><td>50%</td></tr>
<tr><td>15%-16%</td><td>Straight-line pro rata vesting between 50% and 60%</td></tr>
<tr><td>16%-17%</td><td>Straight-line pro rata vesting between 60% and 70%</td></tr>
<tr><td>17%-18%</td><td>Straight-line pro rata vesting between 70% and 80%</td></tr>
<tr><td>18%-19%</td><td>Straight-line pro rata vesting between 80% and 90%</td></tr>
<tr><td>19%-20%</td><td>Straight-line pro rata vesting between 90% and 100%</td></tr>
<tr><td>At or above 20%</td><td>100%</td></tr>
</table></td></tr>
<tr><td>Exercise price</td><td>$1.85</td></tr>
<tr><td>Expiry date</td><td>4 years from grant date</td></tr>
<tr><td>Forfeiture and termination</td><td>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.</td></tr>
</table>

2022 Outperformance Options (OO)

During the reporting period ending 30 June 2022, the Company granted 1,700,000 Long Term Incentive options under the Outperformance Option plan. 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. 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 (refer to note 32 Share-based payments in the Consolidated Financial Statements for further details).

<table>
<tr><th>Element</th><th colspan="2">Details</th></tr>
<tr><td>Purpose</td><td colspan="2">Rewards delivery against longer-term strategy, sustained shareholder value creation and outperformance against other long-term incentive schemes. Provides alignment between shareholder, customer, and executive outcomes and time-based retention through a three-year vesting period.</td></tr>
<tr><td>Grant date</td><td colspan="2">19 January 2022</td></tr>
<tr><td>Vesting period</td><td colspan="2">3 years</td></tr>
<tr><td rowspan="4">Vesting conditions</td><td colspan="2">- Remain employed with the Group for the duration of the performance period
- Satisfaction of total shareholder return or customer targets as follows:</td></tr>
<tr><td>TSR CAGR and Customer total</td><td>Vesting %</td></tr>
<tr><td>Below 25% or Customers less than 5,000</td><td>0%</td></tr>
<tr><td>At or above 25% and Customers greater than or equal to 5,000</td><td>100%</td></tr>
<tr><td>Exercise price</td><td colspan="2">$0</td></tr>
<tr><td>Expiry date</td><td colspan="2">4 years from grant date</td></tr>
<tr><td>Forfeiture and termination</td><td colspan="2">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.</td></tr>
</table>

a) Analysis of movements in equity instruments

The total LTI options each KMP granted during FY22 was:

KMPs	Role	Options at 1 July 2021	2022 ESOP options granted	2022 OO options granted	Number lapsed/ forfeited	Number outstanding at 30 June 2022	Vested during year	Vested and exercisable at 30 June 2022
Sam Riley	CEO, Executive Director	1,330,900	146,567	450,000	–	1,927,467	443,633	443,633
Stuart Clout	CRO, Executive Director	1,035,144	127,722	300,000	–	1,462,866	345,048	345,048
Peter James	Chairman, Independent Non-Executive Director	946,040	-	-	–	946,040	315,347	315,347
David Pullini	Independent Non-Executive Director	946,040	-	-	–	946,040	315,347	315,347
James Drake	CFO, Non-Director Executive KMP	630,695	125,628	300,000	–	1,056,323	210,232	210,232
Total		4,888,819	399,917	1,050,000	–	6,338,736	1,629,607	1,629,607

Details of the vesting profile of options granted as remuneration as LTI awards are shown below:

	Number	Grant date	Vested during the year	Forfeited during the year	Date on which the grant vests	Fair value per option
Sam Riley - CEO, Executive Director						
2021 ESOP	1,330,900	9 December 2020	443,633	–	Tranche 1 - 9 December 2021 Tranche 2 - 9 December 2022 Tranche 3 - 9 December 2023	Tranche 1 - 0.126 Tranche 2 - 0.249 Tranche 3 - 0.348
2022 ESOP	146,567	27 January 2022	–	–	30 June 2024	0.796
2022 OO	450,000	19 January 2022	–	–	27 January 2025	0.952
Stuart Clout - CRO, Executive Director						
2021 ESOP	1,035,144	9 December 2020	345,048	–	Tranche 1 - 9 December 2021 Tranche 2 - 9 December 2022 Tranche 3 - 9 December 2023	Tranche 1 - 0.126 Tranche 2 - 0.249 Tranche 3 - 0.348
2022 ESOP	127,722	27 January 2022	–	–	30 June 2024	0.796
2022 OO	300,000	19 January 2022	–	–	27 January 2025	0.952
Peter James - Chairman, Independent Non-Executive Director						
2021 ESOP	946,040	9 December 2020	315,347	–	Tranche 1 - 9 December 2021 Tranche 2 - 9 December 2022 Tranche 3 - 9 December 2023	Tranche 1 - 0.126 Tranche 2 - 0.249 Tranche 3 - 0.348
David Pullini - Independent Non-Executive Director						
2021 ESOP	946,040	9 December 2020	315,347	–	Tranche 1 - 9 December 2021 Tranche 2 - 9 December 2022 Tranche 3 - 9 December 2023	Tranche 1 - 0.126 Tranche 2 - 0.249 Tranche 3 - 0.348
James Drake - CFO, Non-Director Executive KMP						
2021 ESOP	630,695	9 December 2020	210,232	–	Tranche 1 - 9 December 2021 Tranche 2 - 9 December 2022 Tranche 3 - 9 December 2023	Tranche 1 - 0.126 Tranche 2 - 0.249 Tranche 3 - 0.348
2022 ESOP	125,628	31 August 2021	–	–	30 June 2024	0.694
2022 OO	300,000	19 January 2022	–	–	27 January 2025	0.952

b) Future LTI plan not yet granted

Director LTI grants are subject to approval at the Annual General Meeting which is expected to occur in November 2022. Non-Director Executive KMP grants are subject to approval after the FY22 audited Consolidated Financial Statements. The option exercise price will be determined based on the volume weighted average share price over the 5 trading days after the FY22 audited Consolidated Financial Statements are reported to the ASX. The option valuation date will be the date 5 trading days after the audited Consolidated Financial Statements are reported to the ASX. The options to be 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 2022 and ending on 30 June 2025. 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.

04. Non-Executive Director's 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. The total remuneration[1] of, and the value of other benefits received by, each Non-Executive Director during the period from 1 July 2021 to 30 June 2022 were as follows:

Year-ended 30 June 2022	Role	Committee Chair	Short-term benefits Base salary $	Short-term benefits Committee chair fees $	Post-employment Superannuation $	Share- based payments (A) $	Total $
Non-Executive Director							
Peter James	Chairman		113,636	–	11,364	93,424	218,424
David Pullini	Independent NED	ARC	90,909	–	9,091	93,424	193,424
Total			**204,545**	**–**	**20,455**	**186,848**	**411,848**

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

(A) Amounts disclosed reflect the accounting expense for Shares Options valued in accordance with AASB 2 Share-based payment (refer to note 32 Share-based payments in the Consolidated Financial Statements).

The total remuneration[1] of, and the value of other benefits received by, each Non-Executive Director during the period from 1 July 2020 to 30 June 2021 were as follows:

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 $
Non-Executive Director							
Peter James[2]	Chairman		66,839	–	6,350	64,249	137,438
David Pullini[3]	Independent NED	ARC	47,191	5,833	5,037	64,249	122,310
Former Director							
James Walker[4]	Former Chairman		17,307	–	1,644	–	18,951
Steven Coffey[5]	Former Chairman		42,937	–	4,079	–	47,016
Total			**174,274**	**5,833**	**17,110**	**128,498**	**325,715**

(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 annual Non-Executive Directors' base fee agreed to be paid by the Company to:

- the Chairman will be $125,000 (including superannuation); and
- each of the other Non-Executive Directors will be $90,000 (including superannuation).

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.

05. 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. The Chief Financial Officer is eligible to participate in the Company's Employee Matching Share Rights Plan (refer to note 32 for further details).

5.1 Details of remuneration

The following table of Executive KMP remuneration[1] has been prepared in accordance with accounting standards and the Corporations Act 2001 requirements, for the period from 1 July 2021 to 30 June 2022.

The Cash STI awarded as compensation to Executive KMP's were fully vested in the year for all Executive KMP's and there were no amounts forfeited.

Year ended 30 June 2022		Short-term benefits			Post-Employment	Other long term	Share-based payments		
	Role	Salary and Fees	Cash STI (A)	Other Short-term benefits (B)	Superannuation	Long service leave	Options and rights (C)	Total	Performance related %
Sam Riley	CEO	378,875	147,000	40,535	38,268	14,002	228,480	847,160	45%
Stuart Clout	CRO	335,590	115,290	(19,430)	16,612	10,810	173,924	632,796	46%
Other									
James Drake	CFO	317,250	126,000	585	36,168	–	130,780	610,783	42%
Total		**1,031,715**	**388,290**	**21,690**	**91,048**	**24,812**	**533,184**	**2,090,739**	**44%**

(A) Refer to section 2 for details regarding STI.

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

(C) Amounts disclosed reflect the accounting expense for Shares Options valued in accordance with AASB 2 Share-based payment (refer to note 32 Share-based payments).

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

The table below represents the target remuneration mix for group executives in the current year. The short-term incentive is provided at target levels, and the long-term inventive amount is provided based on the value granted in the year:

		At risk	
	Fixed remuneration	Short-term incentive	Long-term incentive
CEO	38%	12%	50%
CFO, CRO	41%	13%	45%

The following table of Executive KMP remuneration[1] 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**			**Post-Employment**	**Other long term**	**Share-based payments**		
	Role	**Salary and Fees**	**Cash STI (A)**	**Other Short-term benefits (B)**	**Superannuation**	**Long service leave**	**Options and rights (C)**	**Total**	**Performance related %**
Sam Riley	CEO	202,290	70,535	(22,714)	10,847	33,315	90,387	384,660	42%
Stuart Clout	CRO	260,109	64,198	59,460	21,070	–	70,301	475,138	28%
Other									
James Drake	CFO	171,739	61,534	8,218	10,847	–	42,833	295,171	35%
Neale Java	Former CFO and COO	105,763	–	15,599	8,622	–	10,312	140,296	N/A
Total		**739,901**	**196,267**	**60,563**	**51,386**	**33,315**	**213,833**	**1,295,265**	

(A) Refer to section 2 for details regarding STI.

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

(C) Amounts disclosed reflect the accounting expense for Shares Options valued in accordance with AASB 2 Share-based payment (refer to note 32 Share-based payments).

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

06. KMP Transactions

6.1 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.

6.2 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 2021	Shares issued/ acquired	Shares Disposed	Held at 30 June 2022
Stuart Clout	3,495,237	–	–	3,495,237
Sam Riley	4,964,249	–	–	4,964,249
Peter James	146,351	–	–	146,351
David Pullini	177,435	–	–	177,435
James Drake	13,499	2,207	–	15,706
Total	**8,796,771**	**2,207**	**–**	**8,762,978**

07. 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

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.

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

Stuart Clout
Chief Revenue Officer (former Chief Executive Officer)

Employment Conditions

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.

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

James Drake
Chief Financial Officer

Employment Conditions

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.

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

Director's Report

The Directors present their report together with the Consolidated Financial Statements of the Group comprising of Ansarada Group Limited and its controlled entities (the Ansarada Group or Group), for the year ended 30 June 2022, and the Independent Auditor's Report thereon.

Directors

The Directors of Ansarada Group Limited at any time during the year ended 30 June 2022 and up to the date of this report are as follows.

Mr. Peter James

Chairman

Independent Non-Executive Director
Appointed 4 December 2020

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.

Peter is currently Chairman at Droneshield (ASX: DRO),

Nearmap (ASX: NEA), Halo Food Co (ASX: HLF) and Macquarie Telecom Group (ASX: MAQ).

Peter is a Fellow of the Australian Institute of Company Directors and a Fellow of the Australian Computer Society.

Mr. Sam Riley

Chief Executive Officer

Executive Director
Appointed 4 December 2020

Sam co-founded Ansarada and was part of the founding team which built Ansarada from $30k in seed capital.

Sam has 16 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 12 years.

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 16 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.

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**
Sam Riley	15	15	4	4
Stuart Clout	15	12	–	–
Peter James	15	15	4	4
David Pullini	15	15	4	4

A Eligible to attend
B Attended

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

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 11 to 32 of this report.

Business Overview

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.

Acquisition of TriLine GRC Pty Ltd

On 29 October 2021, Ansarada Group Limited completed the acquisition of 100% of the share capital in TriLine GRC Pty Ltd and its Subsidiaries for $5.3 million. TriLine GRC is a market leading governance, risk and compliance SaaS company with customers in Australia, New Zealand, UK and Ireland.

TriLine GRC provides an end-to-end GRC solution which bolsters our value proposition and when combined with our Board and Deals products we have a comprehensive, highly differentiated and unique solution to improve core business practices and solve critical challenges faced by organisations.

Acquisition of Ansarada Vietnam Limited

On 1 March 2022, Ansarada Group Limited completed the acquisition of 100% of the share capital in Ansarada Vietnam Limited. Ansarada Vietnam Limited is a development centre that provides software development services for the Ansarada Group.

Notes to the Consolidated Financial Statements

01. Dividends

No dividends have been paid or declared for the financial period ended 30 June 2022 (2021: $Nil).

02. Likely developments

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

03. Environmental regulation

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

04. 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[1]
Sam Riley	4,964,249	1,927,467
Stuart Clout	3,495,237	1,462,866
Peter James	146,351	946,040
David Pullini	177,435	946,040

[1] Refer to Remuneration Report on page 33 to 49 of this report for further details on Director's share option plans.

05. 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.

06. Indemnity and insurance of the auditor

The Company has not, during or since the end of the financial year, indemnified or agreed to indemnity 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.

07. 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 34 to the financial statements included in this report.

The Board has considered the non-audit services provided during FY22 by the auditor and is satisfied that the provision of those non-audit services during FY22 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.

08. 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.

09. 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 2022 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 FY22 for key management personnel and the proposed framework for FY22, is included in the Remuneration Report on page 33 to 49 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 2022 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 s partners of the Group's auditor.

13. Auditor

Consistent with the prior period, KPMG continued to act as auditors in accordance with section 327 of the *Corporations Act 2001.*

14. Corporate governance

Our Corporate Governance Statement for FY22 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 56 and forms part of the Directors' Report for the financial year ended 30 June 2022.

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 2022

David Pullini

Samuel Riley
Director

David Pullini
Director

KPMG

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 2022 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

Trent Duvall

Partner

Sydney

31 August 2022

2.1 Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2022

	Notes	30 June 2022 $000	30 June 2021 $000
Revenue	8	47,739	33,199
Other income	8	555	306
Total revenue and other income		**48,294**	**33,425**
Cost of revenue		(2,468)	(1,173)
Gross profit		**45,826**	**32,252**
Product design and development	10	(20,903)	(18,856)
Sales and Marketing	10	(18,597)	(11,908)
General and Administration	10	(12,481)	(8,797)
Total operating expenses		**(51,981)**	**(39,561)**
Operating loss		**(6,155)**	**(7,309)**
Finance income		6	9
Finance expense	12	(906)	(989)
Fair value adjustment- Convertible Notes & Warrants	12	–	9,072
Net finance Income/(expense)		**(900)**	**8,092**
Profit/(Loss) before income tax		**(7,055)**	**783**
Income tax (expense)	15	(1,552)	(141)
Profit/(Loss) for the year		**(8,607)**	**642**
Other comprehensive income			
Items that may subsequently be re-classified to Profit or Loss, net of tax			
Foreign currency translation differences for foreign operations		(14)	(54)
Total comprehensive profit/(loss) for the year		**(8,621)**	**588**

		Cents	Cents
Earnings per share (EPS) attributable to owners of Ansarada Group Limited			
Basic earnings per share (cents)	14	(0.10)	1.06
Diluted earnings per share (cents)	14	(0.09)	1.06

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 in 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.

2.2 Consolidated Statement of Financial Position

As at 30 June 2022

	Notes	30 June 2022 $000	30 June 2021 $000
ASSETS			
Current assets			
Cash and cash equivalents	16	22,438	22,590
Trade and other receivables	17	5,376	4,860
Other current assets		2,402	1,703
Total current assets		**30,216**	**29,153**
Non-current assets			
Intangible assets	19	42,032	41,360
Property, plant and equipment	18	1,067	983
Right of use asset	20	5,898	6,322
Deferred tax asset	15	3,936	5,377
Total non-current assets		**52,933**	**54,042**
Total assets		**83,149**	**83,195**
LIABILITIES			
Current liabilities			
Trade and other payables	21	(7,925)	(4,277)
Lease liabilities	22	(1,339)	(958)
Employee benefits	13	(1,599)	(1,403)
Current tax liability		(107)	(80)
Deferred revenue	8	(15,210)	(12,872)
Total current liabilities		**(26,180)**	**(19,590)**
Non-current liabilities			
Lease liabilities	22	(5,440)	(6,145)
Employee benefits	13	(122)	(117)
Deferred revenue	8	(1,722)	(1,070)
Make good provisions		(293)	(288)
Total non-current liabilities		**(7,577)**	**(7,620)**
Total liabilities		**(33,757)**	**(27,210)**
Net assets/(liabilities)		**49,392**	**55,985**
EQUITY			
Contributed Equity	25	95,916	94,864
Retained losses		(48,116)	(39,509)
Reserves	26	1,592	630
Total equity		**49,392**	**55,985**

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 in 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.

2.3 Consolidated Statement of Changes in Equity

As at 30 June 2022

	Ordinary shares $'000	Preference A shares $'000	Treasury shares $'000	Share-based payment reserve $'000	Foreign currency translation reserve $'000	Retained Earnings $'000	Total $'000
Balance at 1 July 2021	**94,864**	**–**	**–**	**648**	**(18)**	**(39,509)**	**55,985**
Total comprehensive income for the period:							
Profit/(loss) for the period	–	–	–	–	–	(8,607)	(8,607)
Foreign currency translation differences for foreign operations net of tax	–	–	–	–	(14)	–	(14)
Total comprehensive profit for the period	**–**	**–**	**–**	**–**	**(14)**	**(8,607)**	**(8,621)**
Transactions with owners recorded directly in equity	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Exercising of employee share options	1,052	–	–	–	–	–	1,052
Share-based payment expense	–	–	–	1,070	–	–	1,070
Treasury shares acquired	–	–	(94)	–	–	–	(94)
Balance at 30 June 2022	**95,916**	**–**	**(94)**	**1,718**	**(32)**	**(48,116)**	**49,392**
Balance at 1 July 2020	39	2,634	–	852	36	(42,101)	(38,540)
Total comprehensive income for the period:							
Profit/(loss) for the period	–	–	–	–	–	642	642
Other comprehensive (loss)/income	–	–	–	–	–	–	–
Foreign currency translation differences for foreign operations net of tax	–	–	–	–	(54)	–	(54)
Total comprehensive loss for the period	**–**	**–**	**–**	**–**	**(54)**	**642**	**588**
Transactions with owners recorded directly in equity	**–**	**–**	**–**	**–**	**–**	**–**	**–**
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
Balance at 30 June 2021	**94,864**	**–**	**–**	**648**	**(18)**	**(39,509)**	**55,985**

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 in 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.

2.4 Consolidated Statement of Cash Flows

For the year ended 30 June 2022

	Notes	30 June 2022 $'000	30 June 2021 $'000
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		52,706	38,163
Payments to suppliers and employees (inclusive of GST)		(40,020)	(31,273)
Proceeds from Government grant	11	–	855
Interest received		7	8
Employee options plan		–	(287)
Business combination costs		(369)	(739)
Income tax paid		(123)	(178)
Net cash inflow from operating activities	**33**	**12,201**	**6,549**
Cash flows from investing activities			
Payments for property, plant and equipment		(367)	(52)
Cash paid on acquisition of business net of cash acquired	35	(5,531)	1,988
Proceeds from sale of property, plant and equipment		1	34
Capitalised contracts acquisition costs	19	(1,558)	(2,006)
Capitalised development costs	19	(4,355)	(5,069)
Net cash (outflow) from investing activities		**(11,810)**	**(5,105)**
Cash flows from financing activities			
Payments for Treasury shares	26	(94)	–
Repayments of lease liabilities		(1,331)	(885)
Proceeds from issue of share capital, net of transaction costs	25	–	37,975
Proceeds from exercise of employee share options		1,052	–
Repayment of interest-bearing liabilities and borrowings		–	(25,000)
Net cash (outflow)/inflow from financing activities		**(373)**	**12,090**
Net increase in cash and cash equivalents		**18**	**13,534**
Cash and cash equivalents at the beginning of the financial period		22,590	9,069
Effect of exchange differences on cash balances		(170)	(13)
Cash and cash equivalents at end of year		**22,438**	**22,590**

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 in 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.

2.5 Notes to the Consolidated Financial Statements

Contents

01. 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.

02. Basis of preparation of full year financial statements

These Consolidated Financial Statements for the reporting period ended 30 June 2022 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 2022.

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
Assets acquired in business combinations	Fair value at acquisition date

03. 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 2022, the Group's net asset position was $49.4 million (30 June 2021: $56.0 million). There is a surplus in current assets of $4.0 million at 30 June 2022 (30 June 2021 $9.6 million). The Group has no borrowings and $6.8 million in lease liabilities at 30 June 2022 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.

04. 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 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 2021 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 material impact on the Group's Consolidated Financial Statements once applied:

i. AASB 2020-3 Amendments to Australian Accounting Standards – Annual Improvements 2018- 2020 and Other Amendments
ii. 2020-1/6 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current
iii. AASB 2021-2 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates
iv. AASB 2021-5 Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a Single Transaction

05. 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.

06. Principles of consolidation

Comparative information – 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 AASB 3 Business Combinations, this acquisition was accounted for as a reverse acquisition business combination. The implications of applying AASB 3 on each of the attached financial statements comparatives are as follows:

i. *Statement of Financial Position*

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

ii. *Statement of Profit or Loss and Other Comprehensive Income*

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

iii. *Statement of Changes in Equity*

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, has 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.

Notes to the Consolidated Financial Statements (continued)
6. Principles of consolidation (continued)

iv. *Statement of Cash Flows*

The Consolidated Statement of Cash Flows represents cash flows of Ansarada NewCo only for the period 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.

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.

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 35 for further information

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 35).

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.

07. 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 summarised below.

Coronavirus (COVID-19)

Judgement has been exercised in considering the impact that the Coronavirus (COVID-19) pandemic has had, or may have, on the Group based on known information. This consideration extends to the nature of the products and services offered, staffing and geographic regions in which the Group operates. Management has assessed there was no material impact caused by the COVID-19 pandemic to the current period results in the financial report.

Contract acquisition costs

The Group capitalises incremental costs of obtaining customer contracts, in accordance with AASB 15 Revenue from Contracts with Customers. 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. The Group has determined this 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.

Capitalised development cost

The Group capitalises costs (including employee expenses and employee expenses arising from share-based payment schemes) 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.

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 there are two CGU's which are required to be tested for impairment. The valuation models (being value in use models) which are used to estimate the recoverable amount of the CGUs, requires an estimate of the future cash flows expected to arise from the 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.

08. 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:

- 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
- Recognise 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 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 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 estimated contract life.

Notes to the Consolidated Financial Statements (continued)
8. Revenue (continued)

Other income

Other income consists of archive fee income, installation and training income and other miscellaneous items.

Revenue and other incomes	30 June 2022 $'000	30 June 2021 $'000
Platform subscription fees	40,251	26,585
Transactional Usage fees	7,488	6,534
Total revenue	**47,739**	**33,119**
Other income	555	306
Total revenue and other income	**48,294**	**33,425**

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.

Total Deferred revenue	30 June 2022 $'000	30 June 2021 $'000
Current deferred revenue	15,210	12,872
Non-current deferred revenue	1,722	1,070
Total	**16,932**	**13,942**

Of the deferred revenue recognised at 30 June 2021, $12.9 million was recognised in revenue in the current year.

Contract balances

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

	30 June 2022 $'000	30 June 2021 $'000
Receivables which are included in Trade and other receivables	**4,845**	**4,626**

09. 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

Operating segment	**30 June 2022 $'000**	**30 June 2021 $'000**
Platform Subscription fees	40,251	26,585
Transactional Usage fees	7,488	6,534
Total revenue	**47,739**	**33,119**
Other income	555	306
Total revenue and other income	**48,294**	**33,425**
EBITDA	**4,907**	**3,001**
Profit/(Loss) for the year	**(8,607)**	**642**

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

Revenue by geographic location	**30 June 2022 $'000**	**30 June 2021 $'000**
ANZ (Australia and New Zealand)	27,289	18,164
North America	4,409	3,667
Asia	2,371	1,537
Europe	7,243	5,237
Middle East and Africa	2,461	1,767
United Kingdom	4,521	3,053
Total revenue by geographic location	**48,294**	**33,425**

Non-current assets by geographic location	**30 June 2022 $'000**	**30 June 2021 $'000**
ANZ (Australia and New Zealand)	50,023	52,132
North America	1,602	1,903
Asia	1,256	–
Europe	–	–
Middle East and Africa	–	–
United Kingdom	52	7
Total non-current assets by geographic location	**52,933**	**54,042**

Non-current assets held in countries other than Australia amount to $2.9 million (2021: $1.9 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 virtual data room archive expenses.

Product design and development expenses

Product design and development expenses consist primarily of personnel and related costs (including salaries and other benefits) directly associated with the Group's product design and development employees, as well as allocated overheads. 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 Group'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.

Expenses by nature

	30 June 2022 $'000	30 June 2021 $'000
Employee benefits	22,836	19,388
Included in functional expenses as follows:		
Sales and marketing expenses	9,817	7,069
Product design and development expenses	6,470	6,655
General and administration expenses	6,549	5,664
Total	**22,836**	**19,388**
Depreciation and amortisation		
Relating to:		
Amortisation of Software - Platform, Mobile Applications and Customer Contracts and Relationships (note 19)	9,785	9,113
Amortisation of contract acquisition assets (note 19)	1,580	1,365
Depreciation of property, plant and equipment (note 18)	377	510
Depreciation of leased buildings (note 22)	804	686
Impairment of Capital WIP (note 19)	96	–
Total Depreciation, amortisation and impairment	**12,642**	**11,674**

Notes to the Consolidated Financial Statements (continued)
10. Expenses (continued)

	30 June 2022 $'000	30 June 2021 $'000
Included in functional expenses as follows:		
Sales and marketing expenses	284	356
Product design and development expenses	10,533	9,706
General and administration expenses	245	247
Cost of revenue	1,580	1,365
Total Depreciation, amortisation and impairment	**12,642**	**11,674**

11. Government grants

The Company received Government Grants in the form of Jobkeeper during the year ended 30 June 2021, which was 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 exited the Jobkeeper scheme as at 30 September 2020 and no longer receives any Government Grant.

	30 June 2022 $'000	30 June 2021 $'000
Government grant income – recognised in operating expenses	–	855

12. Finance expense

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

	30 June 2022 $'000	30 June 2021 $'000
Finance expense		
Bank charges	(256)	(189)
Interest expense – lease liability	(283)	(265)
Net foreign exchange income/(loss)	2	(68)
Transaction costs – acquisition	(369)	(467)
Total Finance expense	**(906)**	**(989)**
Fair Value Adjustment		
Convertible Note	–	8,520
Warrants	–	552
Fair value adjustment	**–**	**9,072**

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 2022 $'000	30 June 2021 $'000
Current		
Annual leave	1,346	1,167
Long-service leave	253	236
Total	**1,599**	**1,403**
Non-Current		
Long-service leave	122	117
Total employee benefits	**1,721**	**1,520**

14. Earnings per share (EPS)

The calculation of basic EPS for the year ended 30 June 2022 was based on the loss attributable to ordinary shareholders of $8.6 million (June 2021: $0.6 million profit) and a weighted average number of ordinary shares outstanding of 88,896,797 (June 2021: 60,571,928).

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.

Notes to the Consolidated Financial Statements (continued)
14. Earnings per share (EPS) (continued)

	30 June 2022 $'000	30 June 2021 $'000
a. Basic earnings per share		
Total earnings per share from continuing operations attributable to ordinary equity holders of the Company	(0.10)	1.06
b. Diluted earnings per share		
Total diluted earnings per share from continuing operations attributable to ordinary equity holders of the Company	(0.09)	1.06
c. Reconciliation of earnings used in calculating earnings per share		
Net profit/(loss) for the year from continuing operations attributable to the ordinary equity holders of the Company		
Basic and diluted earnings	(8,607)	642
d. Weighted average number of shares used as the denominator		
Weighted average number of shares used as the denominator in calculating basic earnings per share		
Basic earnings per share	88,896,797	60,571,928
Diluted earnings per share	90,640,281	60,598,705

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, Ansarada International Pty Limited and TriLine GRC 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 are 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.

Notes to the Consolidated Financial Statements (continued)
15. Current and deferred income tax (continued)

During the period under review TriLine GRC Pty Ltd, joined the Ansarada Group Limited's tax consolidated group. The Allocable cost amounts (ACA) for the assets and liabilities of TriLine GRC Pty Ltd, which are separate from the Purchase Price Allocation (PPA) required for accounting purposes, have been determined, externally reviewed and amounted to the following reset cost bases for tax purposes:

Reset Cost Base Assets	**Purchase Price Allocation (PPA) $'000**	**Reset Cost Base $'000**
Fixed assets	3	3
Shares in TriLine GRC UK Ltd	0.03	0.03
Brand	15	14
Software	1,077	1,063
Customer Contracts	165	163
Customer Relationships	139	137
Goodwill	4,187	4,143
Total	**5,586**	**5,515**

The above has resulted in temporary deductible differences only for fixed assets and software, which have been fully expensed for tax purposes in accordance with the Temporary Full Expensing (TFE) measures to which Ansarada Group qualifies for the year.

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, the 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.

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.

Some of the brought forward tax losses that have been recognised as a deferred tax asset (DTA) in the Consolidated Statement of Financial Position, were able to be utilised against taxable profits generated in the current financial year, upon satisfaction of the Continuity of Ownership and Similar Business tests. The Company has assessed its probability that it will continue to generate taxable profits going forward and satisfy the recognition criteria under AASB 112.

Notes to the Consolidated Financial Statements (continued)
15. Current and deferred income tax (continued)

Unrecognised temporary differences

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that there is either available taxable temporary differences (deferred tax liabilities) or that it is probable that future taxable profit will be available against which the asset can be utilised. In the prior financial year, the Group made a taxable loss. In the current year, the Company generated a taxable income utilising $0.4m of tax loss assets, consistent with the prior year taxable income forecast and overall business strategy. The accounting estimation of future taxable incomes differs to accepted taxable income forecasts in a number of ways as required by applicable accounting standards. The accounting estimate has been limited to the 4-year business plan of the Group and excludes tax estimates in years beyond this period. The estimate uses the next financial year's taxable income forecast with the subsequent 3 years limited to external industry growth rates rather than the overall business plan outcomes. The Company has a high demonstrated forecasting accuracy over the next period tax forecasts. The taxable income forecasts prepared in accordance with tax legislation have also been adjusted for the purpose of the accounting estimate to exclude the benefit of taxable amounts arising from deductible temporary differences (deferred tax assets) that are expected to originate in future periods.

As a result of the revised forecasts, the Company has de-recognised $1.44m of deferred tax balances during the year.

The Company has elected to defer recognition of tax losses of $62.5 million and R&D tax offsets of $2.7m in relation to the prior financial years.

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 tests. The Company has concluded that the tax asset currently recognised on the Consolidated Statement of Financial Position which will be utilised against future assessed future profits, is reasonable. 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.

Income tax expenses	**30 June 2022 $'000**	**30 June 2021 $'000**
Current tax expense	111	(8,761)
Deferred tax expense/ (benefit)	1,441	8,902
Total	**1,552**	**141**
Profit/(Loss) before income tax expense	**(7,055)**	**783**
Tax at the Australian tax rate of 30% (2021: 26%)	(1,888)	204
Effects of tax rate in foreign jurisdictions	60	141
Tax effect of:		
Non-deductible (benefit)/expenses	2,075	(1,905)
Change in tax rate	(136)	295
Adjustment to current tax for overs/under from prior year	–	(46)
Losses not recognised in current year	–	1,452
Deferred tax asset de-recognition	1,441	–
Total	**1,552**	**141**

Notes to the Consolidated Financial Statements (continued)
15. Current and deferred income tax (continued)

Income tax liability	30 June 2022 $'000	30 June 2021 $'000
Opening balance	80	–
Tax paid	(123)	(178)
Taxable income	644	258
Tax losses utilised	(494)	–
Closing balance	**107**	**80**

a. Movement in deferred tax balances

2022	Balance 1 July $'000	Recognised in statement of profit and loss $'000	Balance 30 June $'000	Assets $'000	Liabilities $'000
Property, plant and equipment	174	189	363	363	–
Intangible assets	(5,736)	392	(5,344)	–	(5,344)
Employee benefits (1)	386	90	476	476	–
Prepayments	(243)	(188)	(431)	–	(431)
R&D tax offsets	5,401	(2,670)	2,731	2,731	–
IFRS leases (2)	179	17	196	196	–
Unearned revenue	3,634	1,425	5,059	5,059	–
Contract acquisition costs	183	28	211	211	–
Other items	475	264	739	739	–
Black hole sec 40-880	38	(327)	(289)	–	(289)
Tax losses	886	(661)	225	225	–
Net tax assets/(liabilities)	**5,377**	**(1,441)**	**3,936**	**10,000**	**(6,064)**

Notes to the Consolidated Financial Statements (continued)
15. Current and deferred income tax (continued)

2021	Balance 1 July $'000	Recognised in statement of profit and loss $'000	Balance 30 June $'000	Assets $'000	Liabilities $'000
Property, plant and equipment	103	71	174	174	–
Intangible assets	(5,537)	(199)	(5,736)	–	(5,736)
Employee benefits (1)	442	(56)	386	386	-
Prepayments	(1)	(242)	(243)	–	(243)
R&D credits	5,096	305	5,401	5,401	–
IFRS leases (2)	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	–
Net tax assets/ (liabilities)	**5,377**	–	**5,377**	**11,356**	**(5,979)**

b. Franking credit balance

	30 June 2022 $'000	30 June 2021 $'000
Franking account balance at the end of the financial year	1,813	1,813

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. $196,000 of cash at bank is held as security on property lease and credit card collateral. Therefore, this is considered as restricted cash.

	30 June 2022 $'000	30 June 2021 $'000
Cash at bank and on hand	22,438	22,590

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 economic conditions.

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 2022 $'000	30 June 2021 $'000
Trade receivables	5,149	4,814
Provision for impairment of receivables	(304)	(188)
Trade receivables (net of provision for impairment)	4,845	4,626
Supplier deposits and other receivables	531	234
Total trade and other receivables	**5,376**	**4,860**

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:

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 Group 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 Group estimates the recoverable amount of the cash- generating unit to which the asset belongs.

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.

Notes to the Consolidated Financial Statements (continued)
18. Property, plant and equipment (continued)

2022	Computer equipment $'000	Furniture $'000	Leasehold improvements $'000	Total $'000
Cost				
Opening balance	1,417	1,692	3,291	6,400
Additions	365	2	–	367
Acquired from Business Combination (Note 35)	29	–	–	29
Disposals	(4)	–	–	(4)
Foreign currency translation	7	16	153	176
Closing balance	**1,814**	**1,710**	**3,444**	**6,968**
Accumulated depreciation				
Opening balance	(1,310)	(1,606)	(2,501)	(5,417)
Depreciation	(115)	(56)	(206)	(377)
Disposals	4	–	–	4
Foreign currency translation	(5)	(13)	(93)	(111)
Closing balance	**(1,426)**	**(1,675)**	**(2,800)**	**(5,901)**
Carrying amounts				
At 30 June 2021	**107**	**86**	**790**	**983**
At 30 June 2022	**388**	**35**	**644**	**1,067**

2021	Computer equipment $'000	Furniture $'000	Leasehold improvements $'000	Total $'000
Cost				
Opening balance	1,507	1,719	3,449	6,675
Additions	52	–	–	52
Disposals	(132)	(10)	–	(142)
Foreign currency translation	(10)	(17)	(158)	(185)
Closing balance	**1,417**	**1,692**	**3,291**	**6,400**
Accumulated depreciation				
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
Closing balance	**(1,310)**	**(1,606)**	**(2,501)**	**(5,417)**
Carrying amounts				
At 30 June 2020	**262**	**200**	**1,074**	**1,536**
At 30 June 2021	**107**	**86**	**790**	**983**

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. 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. 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.

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
Customer contracts and relationships	3–7 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.

During the financial year, the Group recognised $4.2 million of goodwill on the acquisition of TriLine GRC Pty Ltd as detailed in note 35. The purchase consideration (representing the fair market value) for the acquisition of the business is indicative of fair value.

During the financial year, the Group recognised $0.6 million of goodwill on the acquisition of Ansarada Vietnam Limited as detailed in note 35. The purchase consideration (representing the fair market value) for the acquisition of the business is indicative of fair value.

The Group's remaining goodwill at 30 June 2022, relates solely to the acquisition of Ansarada Group Limited in the prior period.

The Group has determined that there are two CGU's:

- TriLine GRC CGU - the goodwill recognised on acquisition of TriLine GRC Pty Ltd is attributed to the 'TriLine GRC CGU';
- Ansarada CGU - The remaining goodwill, including that recognised on acquisition of Ansarada Vietnam Limited, is attributed to the 'Ansarada CGU'.

The Group performed its annual impairment test in June 2022 and estimated the recoverable amount of the CGU's based on value-in-use calculations. The recoverable amount of the CGU's were calculated using a five year discounted cash flow model.

The key assumptions used in the estimation of the recoverable amounts are set out below. The values assigned to the key assumptions represent management's assessment of future trends in the relevant industries and have been based on historical data from both external and internal sources:

i. Discount rate

The discount rates used in the discounted cash flow models reflect the Group's estimate of the time value of money and risks specific to the CGU's. 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 used for both the Ansarada CGU and the TriLine GRC CGU was 13.4% (2021: 11.5%).

ii. Projected cash flows

The projected cash flows are derived from 2022 actual results and 2023 to 2027 financial projections approved by the Board. This reflects the best estimate of the CGU's cash flows at the time of this report. Projected cash flows can differ from future actual cash flows and results of operations.

iii. Long-term growth rate into perpetuity

A long-term growth rate of 2.5% is used for both the Ansarada CGU and the TriLine GRC CGU into perpetuity, based on the expected long-range growth rate for the respective industries.

Sensitivity range for impairment testing assumptions

As at 30 June 2022, management has identified that for the carrying amount to exceed the recoverable amount the discount rate would need to increase to 39.8% for the Ansarada CGU and 15.6% for the TriLine GRC CGU respectively.

No impairment arose as a result of goodwill impairment testing for the period ended 30 June 2022.

Notes to the Consolidated Financial Statements (continued)
19. Intangible assets (continued)

2022	Software Platform $'000	Customer contracts and relationships $'000	Mobile Applications $'000	Capital WIP $'000	Goodwill $'000	Contract Acquisition on Costs $'000	Total $'000
Cost							
Opening balance	58,102	–	1,044	304	17,223	2,006	78,679
Additions	3,691	–	–	664	–	1,558	5,913
Reclassification	78	–	–	(78)	–	–	–
Disposal[1]	–	–	–	(33)	–	–	(33)
Acquired via Business combination[2]	1,092	304	–	–	4,824	–	6,220
Closing balance	**62,963**	**304**	**1,044**	**857**	**22,047**	**3,564**	**90,779**
Accumulated amortisation and impairment losses							
Opening balance	(35,073)	–	(848)	(33)	–	(1,365)	(37,319)
Amortisation	(9,567)	(50)	(168)	–	–	(1,580)	(11,365)
Impairment	–	–	–	(96)	–	–	(96)
Disposal[1]	–	–	–	33	–	–	33
Closing balance	**(44,640)**	**(50)**	**(1,016)**	**(96)**	**–**	**(2,945)**	**(48,747)**
Carrying amounts							
At 30 June 2021	**23,029**	–	**196**	**271**	**17,223**	**641**	**41,360**
At 30 June 2022	**18,323**	**254**	**28**	**761**	**22,047**	**619**	**42,032**

1. The disposal of capital WIP is in relation to assets which were impaired in FY21.
2. The addition of software platform and customer contracts and relationships relate to the fair value of the acquired intangibles on the acquisition of TriLine GRC Pty Ltd. The additions to goodwill are attributable to the acquisition of TriLine GRC Pty Ltd and also the acquisition of Ansarada Vietnam Limited (refer to note 35 for further details).

Notes to the Consolidated Financial Statements (continued)
19. Intangible assets (continued)

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

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 2022 $'000	30 June 2021 $'000
Right-of-use assets (buildings)	**5,898**	**6,322**

Reconciliations

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

	30 June 2022 $'000	30 June 2021 $'000
Opening balance at 1 July 2021	6,322	2,980
Additions	–	4,524
Recognised on business combination[1]	628	–
Depreciation expense	(1,135)	(1,060)
Foreign exchange adjustment	83	(122)
Closing balance at 30 June 2022	**5,898**	**6,322**

1. Relates to lease balances recognised on acquisition of Ansarada Vietnam Limited. Refer to note 35 for further details.

Notes to the Consolidated Financial Statements (continued)
20. Right-of-use assets (continued)

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

	30 June 2022 $'000	30 June 2021 $'000
Depreciation of leased buildings	1,135	1,060
Less: capitalised depreciation of leased buildings	(331)	(374)
Total	**804**	**686**

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 2022 $'000	30 June 2021 $'000
Trade payables	2,951	2,293
Sundry payables and accrued expenses	2,679	694
Accrued employee costs	2,295	1,290
Total trade and other payables	**7,925**	**4,277**

Information about the Group's exposure to currency and liquidity risk is included in Note 24.

22. Lease liabilities

	30 June 2022 $'000	30 June 2021 $'000
Opening balance at 1 July 2021	7,103	3,362
Leases Acquired on Business Combination[1]	628	–
Additions	–	4,524
Deferred Lease agreement adjustment	–	(29)
Principal Repayments	(1,331)	(885)
Interest expense	283	265
Foreign exchange adjustment	96	(134)
Closing balance at 30 June 2022	**6,779**	**7,103**
Current lease liability	1,339	958
Non-current lease liability	5,440	6,145
Total	**6,779**	**7,103**

1. Relates to lease balances recognised on acquisition of Ansarada Vietnam Limited. Refer to note 35 for further details.

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.

23. Contingent assets and contingent liabilities

There were no contingent assets or liabilities that have been incurred by the Group in relation to 30 June 2022 (30 June 2021: nil).

24. 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 values are 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:

		30 June 2022 $'000		30 June 2021 $'000	
	Accounting classification	Carrying amount	Fair value	Carrying amount	Fair value
Trade and other receivables	Amortised cost	5,376	5,376	4,860	4,860
Cash and cash equivalents	Amortised cost	22,438	22,438	22,590	22,590
Trade and other payables	Amortised cost	(7,925)	(7,925)	(4,277)	(4,277)

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. This is managed using Ansarada's TriLine GRC platform.

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.

Notes to the Consolidated Financial Statements (continued)
24. Financial instruments – Fair values and risk management (continued)

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.

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 2022, the ageing of trade receivables was as follows:

	30 June 2022 $'000	30 June 2021 $'000
Not past due	3,835	3,537
Past due 1 – 30 days	820	664
Past due 31 – 90 days	290	188
Past due 91 – 120 days	130	425
Greater than 120 days	74	–
Total	5,149	4,814

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			
2022	**Carrying amount $'000**	**Total $'000**	**Less than 1 year $'000**	**1–5 years $'000**	**5 + years $'000**
Financial liabilities					
Trade and other payables	7,925	7,925	7,925	–	–
Current tax liability	107	107	107	–	–
Lease liability	6,779	7,533	1,592	5,475	466
Total	**14,811**	**15,565**	**9,624**	**5,475**	**466**

		Contractual cash flow			
2021	**Carrying amount $'000**	**Total $'000**	**Less than 1 year $'000**	**1–5 years $'000**	**5 + years $'000**
Financial liabilities					
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
Total	**11,460**	**12,468**	**5,592**	**6,410**	**466**

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"), South African Rand ("ZAR") and Vietnamese Dong (VND).

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"), South African Rand ("ZAR") and Vietnamese Dong (VND).

A reasonably possible strengthening (weakening) of the US dollar, Pound Sterling, Euro, South African Rand and Vietnamese Dong against all other currencies at 30 June 2022 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 2022 $'000				
	USD	**GBP**	**EUR**	**ZAR**	**VND**
Trade assets[1]	2,728	2,239	7,256	803	292
Trade liabilities[2]	(3,027)	(1,528)	(1,578)	(570)	(374)
Net exposure	**(299)**	**711**	**5,678**	**233**	**(82)**

[1]Trade assets includes cash and cash equivalents, trade and other receivables and other current assets.

[2]Trade liabilities includes trade and other payables and deferred revenue.

The following significant exchange rates as at the period end have been applied.

	30 June 2022 $'000	30 June 2021 $'000
USD 1	1.45060	1.3323
GBP 1	1.76449	1.8434
ZAR 1	0.09010	0.0932
EUR 1	1.52560	1.5825
VND 1	0.00006	–

Sensitivity analysis

A reasonably possible strengthening (weakening) of the USD, EUR, GBP, ZAR or VND against AUD at 30 June 2022 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.

	Profit or loss	
30 June 2022	Strengthening $'000	Weakening $'000
EUR (10% movement)	568	(568)
USD (10% movement)	(30)	30
GBP (10% movement)	71	(71)
ZAR (10% movement)	23	(23)
VND (10% movement)	(8)	8

A reasonably possible change of 100 basis points in interest rates at the reporting date would increase/decrease profit or loss after tax by $624,000. This analysis assumes that all other variables in particular foreign currency exchange rates remain constant.

Interest rate risk

At 30 June 2022, the Group held no interest bearing financial liabilities and held interest bearing financial assets (i.e., cash and short-term deposits) of $22.4 million.

25. 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
As at 30 June 2020		
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
Balance before reverse acquisition	**16,009,374**	**34,167**
Elimination of existing legal acquiree shares		
Elimination of existing ordinary shares	(16,009,374)	
Shares of legal acquirer transferred in on reverse acquisition	**15,243,124**	**22,708**
Issue of ordinary shares on acquisition in Ansarada Group Limited	43,052,229	–
Balance after reverse acquisition in Ansarada Group Limited	**58,295,353**	**56,875**
Issue of ordinary shares, net of transaction costs	30,405,471	37,975
Conversion of share options	10,493	14
At 30 June 2021	**88,711,317**	**94,864**
Issue of ordinary shares, net of transaction costs	598	–
Conversion of share options	623,653	1,052
At 30 June 2022	**89,335,568**	**95,916**

During the reporting period, the Group issued 623,653 ordinary shares on the exercise of share options held.

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.

26. 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.

	30 June 2022 $'000	30 June 2021 $'000
Foreign currency translation reserve	(32)	(18)

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 2022 $'000	30 June 2021 $'000
Share-based payment reserve	1,718	648

c. Treasury shares

The treasury share reserve represents the matching share rights purchased on market by the Company throughout the contribution period of the employee matching share rights plan. The details of this plan are described further in note 32.

	30 June 2022 $'000	30 June 2021 $'000
Treasury shares	(94)	–

27. 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 2022 %	30 June 2021 %
Ansarada Group Limited	1,2,3,4	Australia	Ordinary	N/A	N/A
Ansarada NewCo Pty Limited	1,4	Australia	Ordinary	100	100
Lockbox Technologies Pty Limited	4	Australia	Ordinary	100	100
Ansarada SubCo Pty Limited	4	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
TriLine GRC Pty Ltd	2,4	Australia	Ordinary	100	–
TriLine GRC Limited	2	Great Britain	Ordinary	100	–
Ansarada Vietnam Limited	3	Vietnam	Ordinary	100	–

1. The legal parent entity and the ultimate parent entity of the Group is Ansarada Group Limited.
2. On 29 October 2021, Ansarada Group Ltd acquired 100% of the share capital of TriLine GRC Pty Ltd and its subsidiaries. Refer to note 35 for further details.
3. On 1 March 2022, Ansarada Group Ltd acquired 100% of the share capital of Ansarada Vietnam Limited. Refer to note 35 for further details.
4. These wholly owned companies have entered into a deed of cross guarantee 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.

28. 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 27. 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 2022.

	Notes	30 June 2022 $'000	30 June 2021 $'000
Assets			
Current assets			
Cash and cash equivalents		21,840	22,590
Trade and other receivables		4,962	4,686
Other current assets		2,151	1,596
Total current assets		**28,953**	**28,872**
Non-current assets			
Intangible assets		41,551	41,360
Property, plant and equipment		275	179
Right of Use Asset		4,413	5,216
Related party receivables		–	–
Investment in Subsidiaries		710	–
Deferred tax asset		3,936	5,377
Total non-current assets		**50,885**	**52,132**
Total assets		**79,838**	**81,004**
Liabilities			
Current liabilities			
Trade and other payables		(6,326)	(3,450
Lease Liabilities		(792)	(715)
Employee benefits		(1,363)	(1,256)
Related party payables		(2,486)	(2,985)
Deferred revenue		(15,060)	(12,872
Total current liabilities		**(26,027)**	**(21,278)**
Non-current liabilities			
Lease Liabilities		(4,347)	(5,139)
Employee benefits		(122)	(117)
Deferred revenue		(1,722)	(1,070)
Provisions		(228)	(228)
Total non-current liabilities		**(6,419)**	**(6,554)**
Total liabilities		**(32,446)**	**(27,832)**
Net assets/(liabilities)		**47,392**	**53,172**
Equity			
Share capital		95,916	93,966
Retained losses		(50,719)	(42,376)
Reserves		2,195	1,582
Total equity		**47,392**	**53,172**

Notes to the Consolidated Financial Statements (continued)
28. Deed of cross guarantee (continued)

	Notes	30 June 2022 $'000	30 June 2021 $'000
Revenue		47,457	33,119
Other income		466	306
Total revenue and other income		**47,923**	**33,425**
Cost of revenue		(1,728)	(330)
Gross profit		**46,195**	**33,095**
Product design and development		(19,540)	(18,133)
Sales and Marketing		(18,797)	(8,140)
General and Administration		(13,929)	(9,000)
Total operating expenses		**(52,266)**	**(35,273)**
Operating (loss)		**(6,071)**	**(2,178)**
Finance income		6	9
Finance expense		(866)	(906)
Fair value adjustment – Convertible Notes & Warrants		–	9,073
Net finance Income/(expense)		**(860)**	**8,176**
Profit/ (Loss) before income tax		**(6,931)**	**5,998**
Income tax benefit/(expense)		(1,412)	(22)
Profit/ (Loss) for the year		**(8,343)**	**5,976**

29. 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:

	Notes	30 June 2022 $'000	30 June 2021 $'000
Assets			
Current assets		1,291	1,075
Non-current assets		102,353	103,760
Total assets		**103,644**	**104,835**
Liabilities			
Current liabilities		(125)	(277)
Non-current liabilities		–	–
Total liabilities		**(125)**	**(277)**
Net assets		**103,519**	**104,558**
Equity			
Share capital		113,906	112,853
Retained losses		(12,106)	(10,167)
Reserves		1,719	1,872
Total equity		**103,519**	**104,558**
(Loss) attributable to members of the parent entity		**(1,939)**	**(3,891)**

30. Related party

Key management personnel disclosures are included in note 31. Detailed remuneration disclosures are provided in the remuneration report.

Director's shareholdings in the parent entity

	30 June 2022 $'000	30 June 2021 $'000
Ordinary shares held at the end of the financial year	8,783,272	8,783,272

Ultimate controlling entity

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

Ownership interests in related parties

Interests in controlled entities are set out in note 27.

31. 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 33-49 for details of individual Director and executive compensation and equity disclosures required by the Corporation Regulations 2M.3.03.

	30 June 2022 $'000	30 June 2021 $'000
Short-term employee benefits	1,645	1,824
Post-employment benefits	112	67
Other long-term benefits	25	33
Share options	720	332
Total KMP compensation	**2,502**	**2,256**

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.

32. Share-based payments

At 30 June 2022, the Group had the following share-based payment arrangements.

Employee Matching Share Rights Plan

Employees have the opportunity to purchase shares in the Company using up to 25% of their annual base salary. For every two acquired shares, the employee will be awarded a right to receive one additional share of the Company under the conditions outlined in the Employee Matching Share Rights Plan. The matching rights are purchased on market by the Company throughout the contribution period, and subsequently reissued to employees once the rights vest. The Company does not issue new shares under the Employee Matching Share Rights Plan. The Group recorded a net expense of $55,000 in the year ended 30 June 2022 (30 June 2021: Nil) in relation to the Employee Matching Share Rights Plan.

Employee Share Option Plan

During the reporting period of 30 June 2022, the Company granted 1,042,802 options under the Group's Long Term Incentive Plan (LTI) in August 2021 and January 2022, with a calculated value of $0.694 and $0.805 respectively determined using a Monte Carlo Simulation (2022 ESOP). The share options are subject to the Group's total shareholder return and will vest on the third anniversary of the date of the grant of the options.

The significant inputs into the model were the share price at grant date, the exercise price of $1.845, the expected annualised volatility of 64.38%, a dividend yield of 0%, performance period of three years and risk-free interest rate of 1.53%. Set out below is a summary of the LTI plan:

Grant date	1 July 2021 – 30 June 2022
Number of Options issued	1,042,802
Exercise price	$1.845
Contractual life of Options	3 years

Employee Share Option Plan – Outperformance options

During the reporting period of 30 June 2022, the Group granted 1,700,000 'outperformance' options under the Group's Long Term Incentive Plan (LTI) in January 2022 and June 2022, with a calculated value of $0.952 and 0.545 respectively determined using a Monte Carlo Simulation (2022 OO). The share options are subject to the Company's total shareholder return and will vest on the third anniversary of the date of the grant of the options.

The significant inputs into the model were the share price at grant date, the exercise price of $0, the expected annualised volatility of 64.38%, a dividend yield of 0%, performance period of three years and risk-free interest rate of 1.53%. Set out below is a summary of the LTI plan:

Grant date	1 July 2021 – 30 June 2022
Number of Options on acquisition	1,700,000
Exercise price	$nil
Vesting period	3 years

Notes to the Consolidated Financial Statements (continued)
32. Share-based payments (continued)

	30 June 2022 $'000	30 June 2021 $'000
Legacy employee share option plan	40	1,385
LTI Options (2021 ESOP)	729	647
LTI Options (2022 ESOP)	152	–
Outperformance options	94	–
Employee matching share rights plan	55	–
Total share-based payments expense	**1,070**	**2,032**

2022	Number of share options	Fair value of share options	Weighted average fair value per option
Opening	**8,792,368**	**2,221,215**	**0.253**
Granted 22 ESOP Options – Aug 21 Grant	913,609	674,836	0.694
Granted 22 ESOP Options – Jan 22 Grant	129,193	104,000	0.805
Granted 22 OO Options – Jan 22 Grant	1,300,000	1,237,600	0.952
Granted 22 OO Options – Jun 22 Grant	400,000	218,000	0.545
Lapsed Options FY21 LTIP	(492,824)	(62,096)	0.126
Exercised TDY options	(598)	(1,076)	1.80
Lapsed TDY Options	(2,394)	(4,309)	1.80
Share option on issue as at 30 June 2022	**11,039,354**	**4,387,094**	**0.395**

2021	Number of share options	Fair value of share options	Weighted average fair value per option
Opening	**262,213**	**1,076,557**	**4.106**
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
Share option on issue as at 30 June 2021	**8,792,368**	**2,221,215**	**0.25**

33. Reconciliation of cash flows from operating activities

	30 June 2022 $'000	30 June 2021 $'000
(Loss)/profit for the year	(8,607)	642
Depreciation and amortisation	12,546	11,674
Impairment of assets	96	34
Share based payments	1,071	2,047
Fair value adjustment in relation to convertible notes and warrants	–	(9,072)
Other non-cash items	1,423	382
Foreign exchange differences	20	150
(Increase) in trade and other receivables	(516)	(1,652)
Increase/(Decrease) in trade and other creditors	3,648	(2,582)
(Decrease) in tax liabilities	(14)	(364)
Increase/(Decrease) in employee benefits	201	(330)
Increase in deferred revenue	2,990	5,975
(Increase) in prepayments	(657)	(355)
Net cash inflow from operating activities	**12,201**	**6,549**

34. Auditors' remuneration

	30 June 2022 $	30 June 2021 $
Audit services		
KPMG Australia:		
Audit & review of financial reports	235,000	283,000
Non-Audit services		
KPMG Australia:		
Tax Services	131,807	69,500
Tax Services from business combination	–	325,000
Business combination costs	–	465,000
Other non-audit services	34,000	54,400
Total remuneration for audit and other assurance services	**400,807**	**1,196,900**

35. Business combination

Acquisition of TriLine GRC Pty Ltd

On 29 October 2021, Ansarada Group Limited completed the acquisition of 100% of the share capital in TriLine GRC Pty Ltd and its Subsidiaries. TriLine GRC Pty Ltd provides technology solutions to businesses in order to strengthen their governance, risk and compliance framework.

Under accounting standards, the Group has 12 months from the date of the acquisition in which to complete its assessment of the fair value of assets and liabilities acquired. The tax computation for the allocable cost amount ("ACA") remains in progress as at 30 June 22, therefore, the acquisition accounting remains provisional.

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

Consideration transferred

	$'000
Cash	5,318

Acquisition-related costs amounting to $211,000 have been excluded from the consideration transferred and have been recognised as an expense in profit or loss, within finance expenses.

Assets acquired and liabilities assumed at the date of acquisition

The provisional fair values of the identifiable assets and liabilities acquired by Ansarada are as follows:	**$'000**
Cash and cash equivalents	448
Trade and other receivables	120
Right-of-use assets	628
Property, plant and equipment	3
Software platform – Intangibles	1,092
Customer relationships – Intangibles	139
Customer contracts – Intangibles	165
Trade and other payables	(428)
Provisions	(76)
Lease liability	(628)
Related party loan payable	(332)
Net identifiable assets acquired	**1,131**
Goodwill acquired	4,187
Net assets acquired	**5,318**

The fair values of the acquired intangible assets was performed in accordance with AASB 3 and AASB138.

The identified intangibles software and brand has been valued using the relief-from-royalty methodology. Furthermore, the valuation of the customer contracts and relationships were valued using the multi-period excess earnings methodology ("MEEM") approach, a variation of the Income Approach.

Impact of acquisition on results of the Group

Included in the profit for the year is $0.7 million attributable to TriLine GRC Pty Ltd. Revenue for the year includes $1.6 million in respect to TriLine GRC Pty Ltd. Had the acquisition of TriLine GRC Pty Ltd been effected at 1 July 2021, the profit from continuing operations for the year ended 30 June 2022 would have contributed $1.0 million to the Group results and the revenue from continuing operations would have contributed $2.2 million to the Group results.

Acquisition of Ansarada Vietnam Limited

On 1 March 2022, Ansarada Group Limited completed the acquisition of 100% of the share capital in Ansarada Vietnam Limited. Ansarada Vietnam Limited is a development centre that provides software development services for the Ansarada Group.

Under accounting standards, the Group has 12 months from the date of the acquisition in which to complete its assessment of the fair value of assets and liabilities acquired.

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

	$'000
Cash	710

Assets acquired and liabilities assumed at the date of acquisition

The provisional fair values of the identifiable assets and liabilities acquired by Ansarada are as follows:	**$'000**
Cash and cash equivalents	49
Trade and other receivables	109
Other assets	268
Property, plant and equipment	29
Trade and other payables	(193)
Provisions	(189)
Net identifiable assets acquired	**73**
Goodwill acquired	637
Net assets acquired	**710**

There were no intangible assets recognised on acquisition.

Impact of acquisition on results of the Group

Included in the profit for the year is a loss of $0.9 million attributable to Ansarada Vietnam Limited. There is no revenue for the year in respect of Ansarada Vietnam Limited.

36. 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 2022 to the date of this report.

3.1 Directors' Declaration

1. In the opinion of the Directors of Ansarada Group Pty Limited ('the Group'):

a. the Consolidated Financial Statements and notes 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 2022 and of its performance, for the 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 2022.

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 2022.

	David Pullini
Samuel Riley Director	**David Pullini** Director

3.2 Independent Auditor's Report

KPMG

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 2022 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 2022;
- 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 these requirements.

KPMG

Key Audit Matters

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

- Valuation of goodwill; and
- Revenue recognition.

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.

Valuation of goodwill ($22,047k)

Refer to Note 19 'Intangible assets' to the Financial Report

The key audit matter	How the matter was addressed in our audit
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. We focused on: • Allocation of goodwill to cash generating units (CGU) – 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. • Forward looking assumptions – forecast cash flows, growth rates, discount rates and terminal growth rates used by the Group given their inherent uncertainty. We involved valuation specialists to supplement our senior audit team members in assessing this key audit matter.	Working with our valuation specialists, our procedures included: • 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. • We assessed the impairment testing methodology used by the Group against the requirements of Australian Accounting Standards. • We assessed the integrity of the value in use model used, including the accuracy of the underlying calculation formulas. • We compared the forecast cash flows contained in the value in use model to Board approved forecasts. • We assessed the accuracy of previous Group forecasts to inform our evaluation of forecasts incorporated in the model.

KPMG

	• 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. • We challenged the cash flow forecasts in the value-in-use models using probability weighted cash flow scenarios within a reasonable possible range. These scenarios were informed by our knowledge of the business and industry trends of growth rates. This assisted in our consideration of the sensitivity of the models to reasonably possible changes in cash flow assumptions. • We evaluated the adequacy of disclosures in the financial report using our understanding obtained from our testing and against the requirements of Australian Accounting Standards.

Revenue recognition ($47,739k)	
Refer to Note 8 'Revenue' to the financial report	
The key audit matter	**How the matter was addressed in our audit**
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 ($16,932k). The recognition of revenue and related deferred revenue is considered to be a key audit matter due to: • The significance of revenue and deferred revenue to the financial statements; and • The high volume of individual contracts.	Our procedures included: • We obtained an understanding over the Group's accounting for revenue from contracts with customers and the related financial controls. • 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. • For a sample of revenue transactions we assessed revenue recognised against the subscription and usage period to the customer contract, invoice and usage data. This also enabled an assessment of deferred revenue for those transactions yet to be delivered.

We focused on assessing the timing of revenue recognised by the Group in accordance with the Australian Accounting Standards.	• 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. • We tested the accuracy of underlying data within the Group's systems used to record customer data usage. • 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.

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.

KPMG

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. 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 2022, 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 33 to 49 of the Directors' report for the year ended 30 June 2022.

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

KPMG

Trent Duvall

Partner

Sydney

31 August 2022

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3.3 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 2022.

a. Distribution of shareholders and options holders

Fully paid ordinary shares holding ranges Entity	Holders	Number of shares	% of issued capital
1–1,000	572	342,923	0.38
1,001–5,000	885	2,306,092	2.58
5,001–10,000	243	1,833,023	2.05
10,001–100,000	228	5,907,195	6.61
100,001–9,999,999,999	46	78,946,335	88.37
Totals	**1,974**	**89,335,568**	**100**

There are 97 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 1.80 on 1 August 2022 representing a total of 15,261 shares.

b. Twenty Largest Shareholders of ordinary shares as at 31 July 2022

	Ordinary Shares	
Shareholder	Number of shares	% of issued capital
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	11,490,474	12.86%
NATIONAL NOMINEES LIMITED	6,740,792	7.55%
MR ANDREW SLAVIN	6,369,755	7.13%
MAAM GP PTY LTD <MA GROWTH CAP FUND II A/C	6,205,951	6.95%
NETWEALTH INVESTMENTS LIMITED <WRAP SERVICES A/C	5,279,854	5.91%
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	5,222,651	5.85%
MR SAMUEL RILEY	4,964,249	5.56%
MR STUART CLOUT	3,495,237	3.91%
ISAMAX PTY LTD	3,463,574	3.88%
BOND STREET CUSTODIANS LIMITED <SALTER – D79836 A/C	2,500,000	2.80%
MRS CHIN-FEN CHANG	2,389,025	2.67%
MS RACHEL CHRISTINA RILEY	2,338,760	2.62%
MSG HOLDINGS PTY LIMITED <MJ & SJ GREGG SUPER FUND A/C	2,284,816	2.56%
FABEMU (NO 2) PTY LTD <GIBBON SUPER FUND A/C	2,284,816	2.56%
TEMPUS PARTNERS VENTURES PTY LTD	1,909,362	2.14%
APE MAN PTY LIMITED <TUPPER STREET A/C	1,668,908	1.87%
BNP PARIBAS NOMS PTY LTD <DRP>	1,437,174	1.61%
TEMPUS PARTNERS FUND 2 LP <GP2 MANAGEMENT LP A/C	1,244,694	1.39%

Shareholder Information (continued)

	Ordinary Shares	
Shareholder	Number of shares	% of issued capital
GILORE PTY LTD <THE O'REILLY FAMILY A/C	825,106	0.92%
OZSCOT PTY LTD	814,142	0.91%
MAAM GP PTY LTD <MA GROWTH CAP FUND II A/C	6,205,951	6.95%
Total Securities of Top 20 Holdings	**72,929,340**	**81.64%**
Total of Securities	**89,335,568**	

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	11,490,474	12.86%
NATIONAL NOMINEES LIMITED	6,740,792	7.55%
MR ANDREW SLAVIN	6,369,755	7.13%
MAAM GP PTY LTD <MA GROWTH CAP FUND II A/C	6,205,951	6.95%
NETWEALTH INVESTMENTS LIMITED <WRAP SERVICES A/C>	5,279,854	5.91%
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	5,222,651	5.85%
MR SAMUEL RILEY	4,964,249	5.56%

d. Voting rights

i. Voting rights

1. Each Shareholder entitled to vote may vote in person or by proxy, attorney or representative.
2. 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
3. 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:

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.

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

	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	80
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
Total Restricted Securities	**42,765,183**	**418**

f. Securities purchased on-market

The following securities were purchased on market during the financial for the purpose of the employee incentive share scheme:

	Number of shares purchased	Average price paid per share
Ordinary shares	**200,003**	**$1.86**

g. Unquoted equity securities

Class of equity securities	Number of shares
$1.6711 Options Vesting 4 Jul21 – 4 Jul 23	925,090
Employee Option Plan – Non-Vested	37,182
LTI Options – Non-Vested	8,157,225
Unlisted Options $2.00 Expiring 4 September 2023	252,028

Distribution of options

$1.6711 Options Vesting 4-Jul-21 Exp 4-Jul-23	Holders	Number of shares	%
1–1,000	–	–	–
1,001–5,000	–	–	–
5,001–10,000	–	–	–
10,001–100,000	4	96,610	10%
100,001–9,999,999,999	2	828,480	90%
Total	**6**	**925,090**	**100%**

Employee Option Plan – Non-Vested	Holders	Number of shares	%
1–1,000	–	–	–
1,001–5,000	3	7,182	19%
5,001–10,000	–	–	–
10,001–100,000	1	30,000	81%
100,001–9,999,999,999	–	–	–
Total	**4**	**37,182**	**100%**

LTI Options – Non-Vested	Holders	Number of shares	%
1–1,000	15	8,878	–
1,001–5,000	24	44,221	1%
5,001–10,000	–	–	–
10,001–100,000	6	274,872	3%
100,001–9,999,999,999	11	7,829,254	96%
Total	**56**	**925,090**	**100%**

Unlisted Options $2.00 Expiring 4 September 2023	Holders	Number of shares	%
1–1,000	1	1,000	–
1,001–5,000	5	14,803	6%
5,001–10,000	8	59,690	24%
10,001–100,000	6	176,535	70%
100,001–9,999,999,999	–	–	–
Total	**20**	**252,028**	**100%**