

# ASPERMONT ANNUAL REPORT

# 2021

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2021

ASPERMONT LIMITED | ABN: 66 000 375 048



**Aspermont**  
*Information for Industry*



# MISSION

*"Enabling business to dig deeper and make better decisions for a brighter future"*

**Aspermont is a global leader in business-to-business media providing timely, independent, and high value content.**

**We bring together communities to collaborate, problem solve and find innovative breakthroughs for some of the most pressing challenges in the world today.**

**We are proud to serve industries which are critical to both sustain and improve our quality of life.**



**Aspermont**  
Information for Industry



**Aspermont** (ASX:ASP, FRA:00W) is the leading media services provider to the global resource industries.

Aspermont has built a commercial XaaS model for B2B media which distributes high value content to a growing global audience. This versatile model is being scaled to serve new business sectors in new countries and languages to create recurring and exceptional long-term revenues.

Aspermont has also established Data monetisation and Client Marketing Service businesses which grow in correlation to the primary XaaS model and have the capacity to multiply current revenue streams.

Aspermont is listed on the ASX, the Frankfurt Stock Exchange and quoted on other European exchanges. Aspermont has offices in the United Kingdom, Australia, Brazil, USA, Canada, the Philippines and Singapore.

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# OVERVIEW

1

A 6-year-old mediatech company with a 185-year mining legacy

2

The leading media services provider to the global resource industries

3

Experienced Tier 1 management team executing with success

4

Comprehensive business turnaround achieved through FY15 - FY18

5

Project Horizon' platform rolled out, between FY16 - FY19, to drive:

- a) long-term organic growth models
- b) operational productivity, efficiency, and scalability

6

XaaS model has delivered twenty-one consecutive quarters of growth

7

Data model is building momentum in a rapid growth phase

8

Legacy Services model has pivoted to a 'marketing solutions' business

9

Pre Covid-19 growth levels regained with new product launches

10

Aspermont generates positive cash flow with momentum building

**Aspermont has restructured its business and commercial models to establish a mediatech growth company with scalable operational architecture.**

**Significantly improved gross margins and positive cash flow are anticipated over FY22 to finance a sustained program of inward investment and accelerate long term growth.**

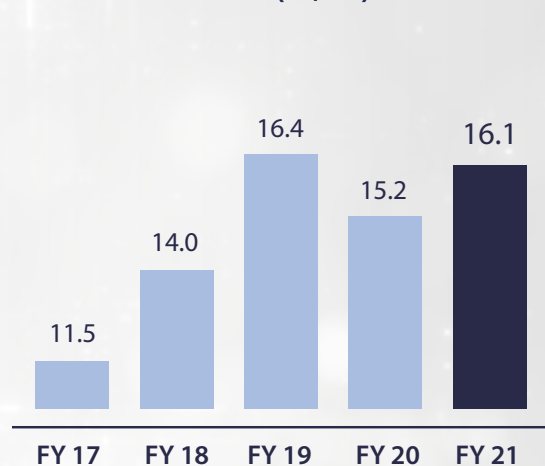
**While Aspermont has built shareholder value in recent years, the directors are confident that continuing long-term growth will greatly increase shareholder value going forward.**



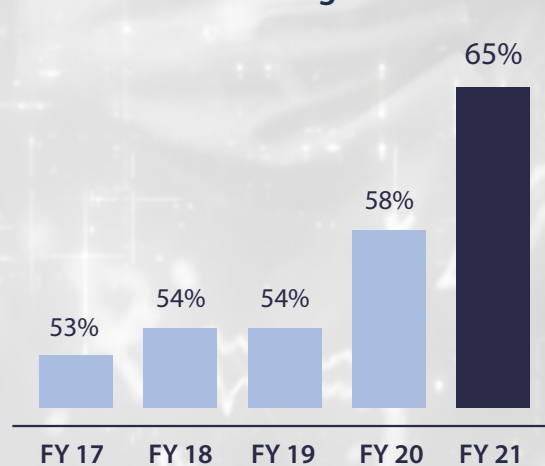
# FINANCIAL HIGHLIGHTS

Period Ended 31st September	FY21	FY20	Improvement
XaaS Revenue	\$7.5m	\$6.7m	+14%
Data Revenue	\$1.5m	\$0.5m	+200%
Services Revenue	\$7.1m	\$8.0m	-10%
<b>Total Revenue</b>	<b>\$16.1m</b>	<b>\$15.2m</b>	<b>+6%</b>
<b>Gross Margins</b>	<b>65%</b>	<b>59%</b>	<b>+10%</b>
<b>Reported EBITDA</b>	<b>\$1.6m</b>	<b>\$0.4m</b>	<b>+288%</b>
<b>Cashflow from Operations</b>	<b>\$2.6m</b>	<b>\$2.5m</b>	<b>+6%</b>
<b>NPAT</b>	<b>\$0.1m</b>	<b>(\$1.0m)</b>	<b>+112%</b>
Normalised EBITDA	\$2.0m	\$1.2m	+71%
Normalised Cashflow from Operations	\$2.9m	\$2.3m	+26%
Cash & Cash Equivalents	\$7.0m	\$3.2m	+121%

Revenue (A\$m)



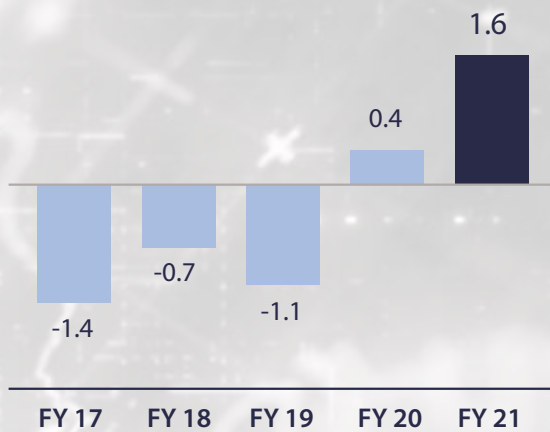
Gross margin %



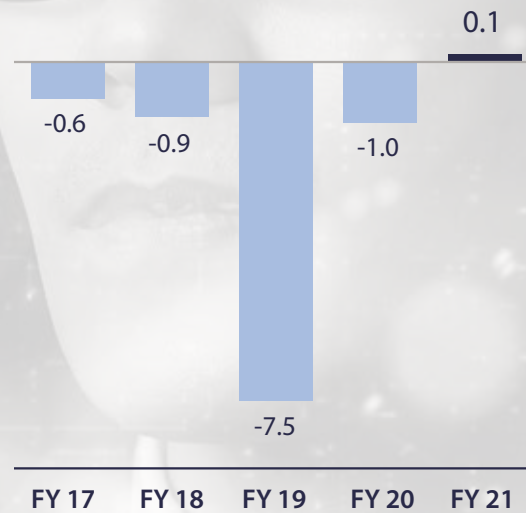




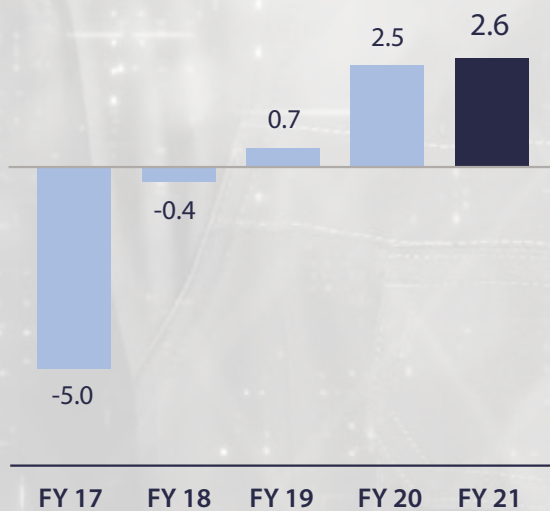
### EBITDA (A\$m)



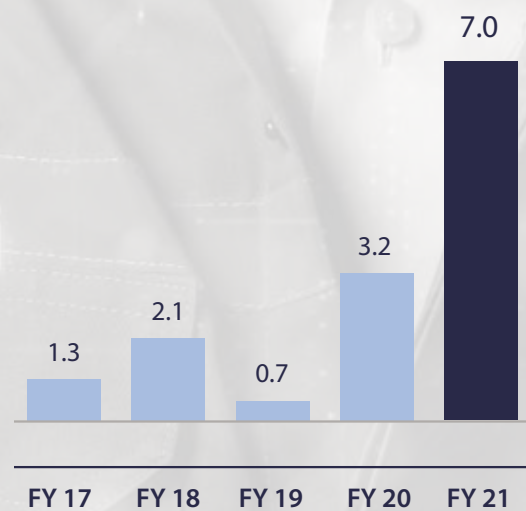
### NPAT (A\$m)



### Operational cashflow (A\$m)



### Cash & cash equivalents (A\$m)



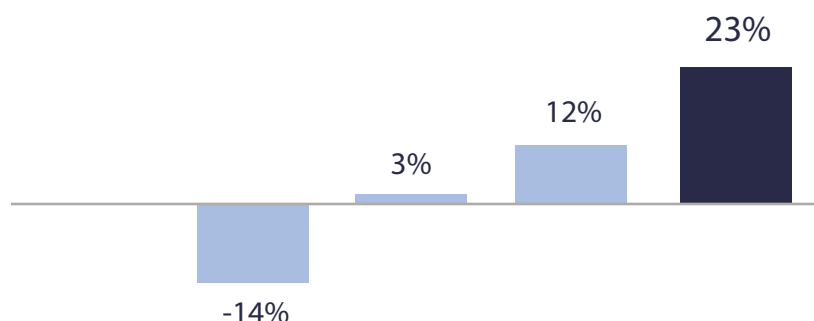
# Revenue

By the 2021 fiscal year end, growth rates for total revenue, XaaS revenue and Services<sup>(1)</sup> revenue had all returned to pre-pandemic levels

Data revenues maintained rapid growth throughout the year

The overall revenue contraction of H1 was reversed in the second half year with a return to topline growth despite the Covid 19 pandemic

## Quarterly revenue growth vs pcp (A\$m)



	Q1 21	Q2 21	Q3 21	Q4 21
Xaas	4%	5%	27%	20%
Data	343%	177%	161%	162%
Services	-41%	-12%	10%	17%
<b>Total</b>	<b>-14%</b>	<b>3%</b>	<b>12%</b>	<b>23%</b>

<sup>(1)</sup>Notably in Services this restoration of growth was achieved under the continued suspension of our live events business



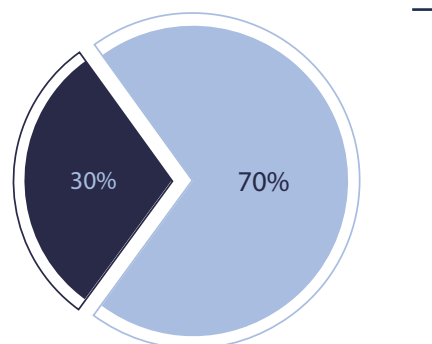
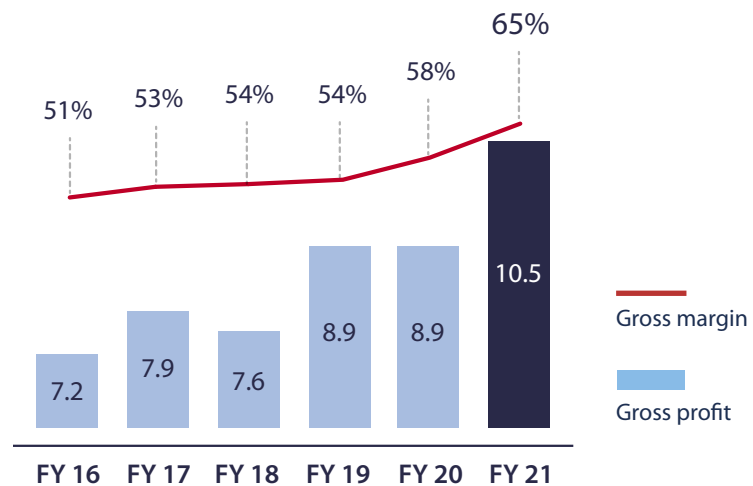
# Gross Margins

Technological innovation, operational redesign and new digital commercial models have established the foundation for business scalability

Improving 'revenue quality' will drive accelerating profitability

Improving gross margins over the last 5 years have been underpinned by stable annually recurring income streams

## Gross profit (A\$m) & margin development



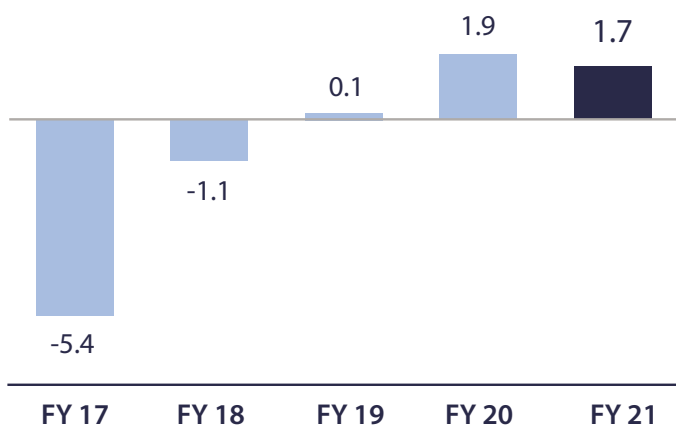
70% recurring revenue in FY21 (A\$m)

# Cashflow Generation

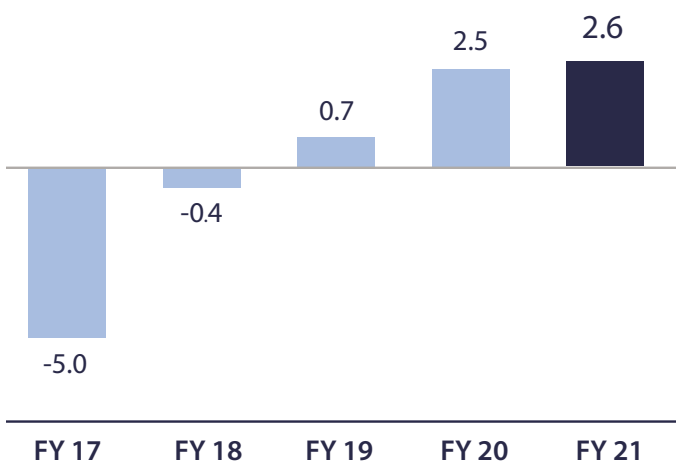
Unusually for a technology-based company, Aspermont is now self-funded and should generate organic growth for many years to come

FY21 saw consistent free cashflow delivery as per the prior period. Having paused inward investment during FY20 the company re-initiated its operational spend program in H2-21

## Free cashflow (A\$m)



## Operational cashflow (A\$m)





*"Aspermont has built a commercial XaaS model for B2B media which distributes high value content to a growing global audience."*





# Business Performance

## Guidance

Our guidance for FY21 had been for:

1

A return to overall revenue growth

2

Subscriptions to regain pre Covid-19 growth rates

3

Further growth in audience and in all other key XaaS metrics

4

High growth in our new data products

5

Continuing expansion in margins and profitability

The directors are pleased to announce that despite the impacts of Covid-19, the business has delivered to guidance against all previously stated goals.



# +6%

Revenue  
increase  
over FY20



# +200%

Data  
over FY20



# +14%

XaaS  
over FY20



# 65%

Gross margin



# +71%

EBITDA growth  
over FY20

# Shareholder Returns

## Market

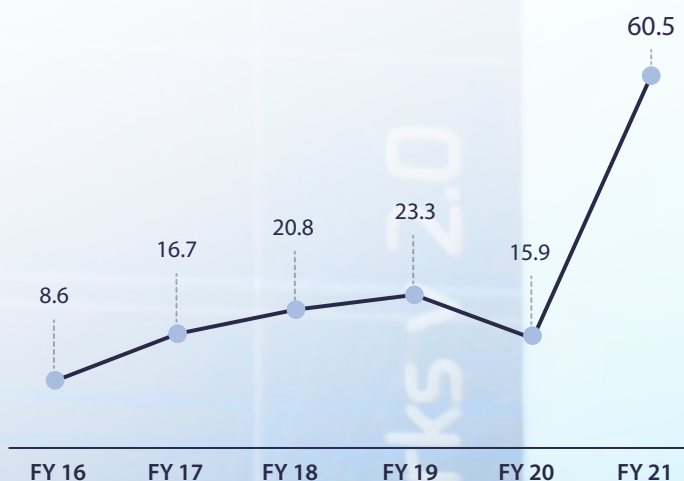
Aspermont shareholders have seen superior returns against the ASX market in general and the ASX media industry benchmark over the last 5 years.

Shareholder Returns	Aspermont (ASX:ASP)	Media Industry	ASX Market
1 Year	250%	42%	22%
3 Years	133%	(22%)	26%
5 Years	110%	(21%)	34%

Yet Aspermont directors believe the company remains significantly undervalued relative to peers.

At this stage of Aspermont's development, with cash flow available to finance inward investment, the director's priority is to focus on driving organic growth to consistently strengthen the company's financial position.

### Market capitalisation (A\$m)



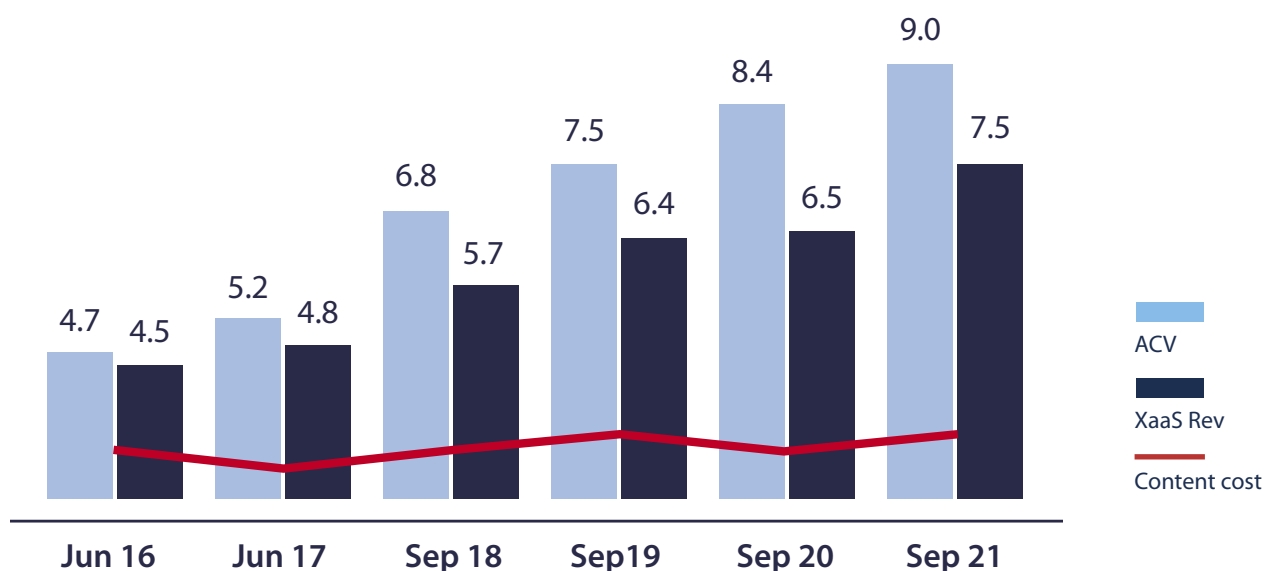
# Audience Metrics

## 21 Consecutive Growth Quarters

Since FY16 Aspermont has delivered back-to-back growth in all key metrics and audience-based revenues. Total content cost per year has been stable while constrained by investment capability, but content production is now benefitting from improved marketing efficiency and higher subscription conversions, and is delivering scalability in these recurring incomes.

All our key metrics are rising in correlation with revenues<sup>(2)</sup> and despite the impacts of Covid-19 our pricing has +14% annual compound growth alongside rising renewal rates and net retention rates. This underlines the efficacy of our evolving value proposition.

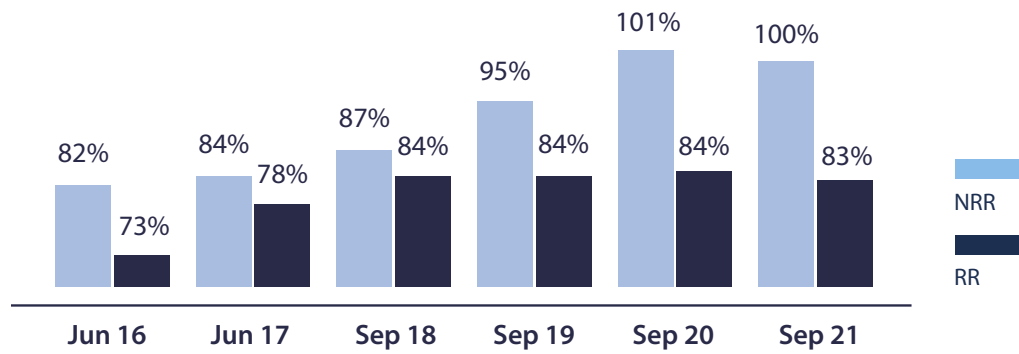
### Annual Contract Value (ACV) & XaaS revenue (A\$m)



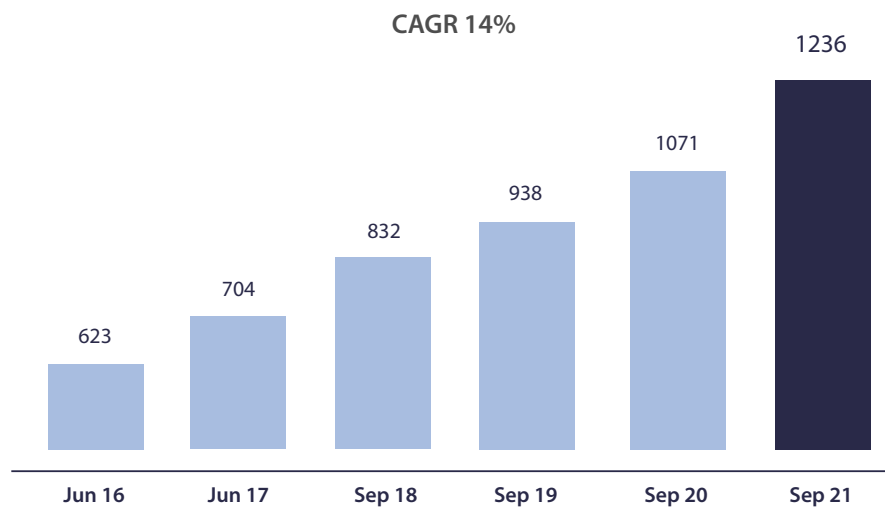
<sup>(2)</sup>Typically, revenue operates on a 12-month lagged effect due to cash received upfront, but revenue recognised out in arrears. Therefore, ACV moves in advance of revenue



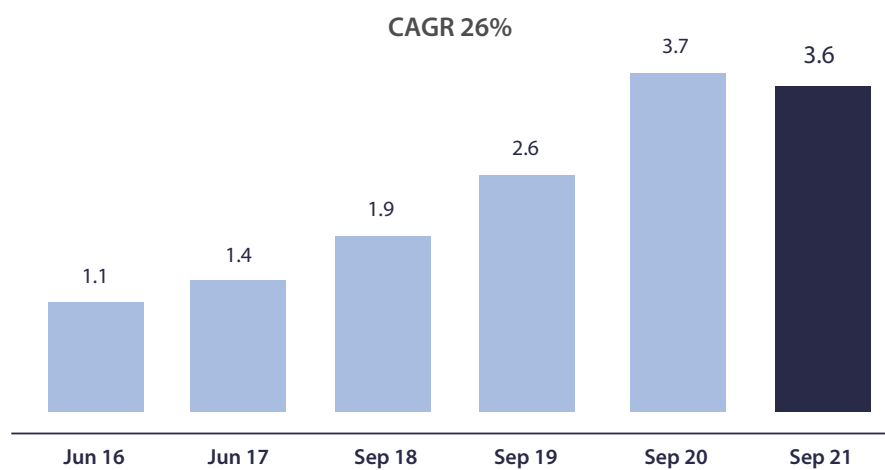
### Net retention rate & renewal rate (%)



### Average Revenue Per Unit (ARPU) (\$)



### Digital users ('m)





*"These symbiotic developments provided the catalyst to transform Aspermont from indebted loss maker to a profitable growth stock."*





# Upcoming Key Technology Developments

Aspermont is both a media and a technology company, and we refer to ourselves as mediatech. Over the last 6 years we have transformed our 186-year-old print publishing business, which relied heavily on advertising and live events, into a clear digital leader in B2B media with revenue increasingly based on organic XaaS and Data monetisation models.

Our new management team came together in 2015 to deliver Project Horizon<sup>(3)</sup> which established the technological foundation and architecture to deliver 21 consecutive quarters of subscriptions and audience growth. Project Horizon also facilitated large scale efficiency improvements to drive gross profit margins and launch new business units on several smaller complementary platforms.

These symbiotic developments provide the catalysts for Aspermont to transform from indebted loss maker

to a profitable rapid growth stock.

Over almost 6 years, our ability to invest in cutting edge technology, beyond Horizon, was held back by financial constraints. But going forward the strength of our commercial models and our improving financial position enable us to focus on our core strengths, in technology development.

During FY22 we anticipate progress with several new, highly ambitious and transformative new technologies, which should both optimise existing Project Horizon architecture and leverage from it.

Quite simply, our capabilities as an organisation go far beyond the current financial shape and business structure, and we anticipate that the next few years will prove an exciting time for Aspermont and our shareholders.

<sup>(3)</sup> Announced in October 2015



# Summary

**Aspermont** has a proven business model and an innovative management team which has demonstrated resilience in abnormal market conditions and delivered a full-scale business turnaround despite Covid-19. The XaaS, Services and Data business models are established, robust and scalable. The Project Horizon platform's technological versatility and our fluid organisational structure both encourage agility and rapid response to changing market conditions.

Subscriptions have been the bedrock of Aspermont's business from 2015, delivering growth over 21 consecutive quarters. Data and Services businesses, which leverage off our premium audiences, have both now entered a high growth phase. Our unit economics support profit growth: we have a relatively stable fixed cost base, no debt, and our net cash position is steadily increasing. Despite continued business restrictions from Covid-19, our business is financially strong and able to invest significant amounts from cash flow to build new, and often disruptive, long term growth businesses. Aspermont has the people, the brands, the audiences, and the technologies all in place to achieve further strong improvements in FY22 regardless of the environment.

## FY22 Guidance

1

**High growth** in total revenue

2

**High growth** in XaaS and new product revenues

3

**Relaunch** of Live Events business

4

**Significant investment** in new technologies

5

**Continued expansion** in free cashflow and profitability





*"Aspermont has the people, the brands, the audiences and the technologies to deliver strong growth over the next few years regardless of the operating environment."*

# APPENDIX 1

## Normalised EBITDA

The reconciliation of statutory earnings to EBITDA is as follows:

Year Ended	30 Sept 2021 \$000	30 Sept 2020 \$000
<b>Reported income/(loss) from continuing operations before income tax expense</b>	<b>115</b>	<b>(873)</b>
Net interest	114	82
Depreciation and amortisation	1,119	1,437
Other (share-based payments & provisions, foreign exchange, other income)	298	(222)
<b>Reported EBITDA</b>	<b>1,646</b>	<b>424</b>
Exceptional one-off charges/(income) <sup>(2)</sup>	(135)	38
New business establishment costs <sup>(3)</sup>	499	716
<b>Normalised EBITDA <sup>(1)</sup></b>	<b>2,010</b>	<b>1,178</b>

Notes for Normalised EBITDA and Normalised Cash Flow from Operations reconciliations:

<sup>(1)</sup>Based on unaudited management accounts

<sup>(2)</sup>One-off expenses relating business restructuring

<sup>(3)</sup>Expenditure in relation to the establishment of new products and business divisions. In FY21 this related to our new VEE division whose products were launched over the first half of the year and whose progress we updated shareholders in March'21



## Normalised Cash Flow from Operations Reconciliation

Year Ended	30 Sept 2021 \$000	30 Sept 2020 \$000
<b>Cash flows from operating activities</b>		
Cash receipts from customers	16,346	16,758
Cash outflows to suppliers and employees	(13,635)	(14,254)
Interest received / (paid)	(79)	(23)
<b>Cash inflow/(outflow) from Operating activities</b>	<b>2,632</b>	<b>2,481</b>
Exceptional cash outflows <sup>(2), (3)</sup>	648	776
Exceptional other income	(382)	(966)
<b>Normalised Cash inflow/(outflow) from operating activities <sup>(1)</sup></b>	<b>2,898</b>	<b>2,291</b>

Notes for Normalised EBITDA and Normalised Cash Flow from Operations reconciliations:

<sup>(1)</sup>Based on unaudited management accounts

<sup>(2)</sup>One-off expenses relating business restructuring

<sup>(3)</sup>Expenditure in relation to the establishment of new products and business divisions. In FY21 this related to our new VEE division whose products were launched over the first half of the year and whose progress we updated shareholders in March'21



# BOARD OF DIRECTORS



**A.L. KENT**  
AAICD

Chairman and Non-Executive Director



**GEOFFREY DONOHUE**  
B.COM, Grad. Dip Financial Analysis (FINSIA), CPA

Lead Independent Director



**TRICIA KLINGER**  
BEc, MCom, GAICD

Non-Executive Director  
(appointed 2nd March 2021)



**ALEX KENT**  
BSc Economics, Accounting & Business Law

Managing Director



**JOHN STARK**  
AAICD

Alternative Director

## Experience and expertise

Mr Kent is an experienced business manager and corporate advisor with over 30 years of experience in international equities and media. Mr Kent was the CEO of Aspermont Limited from 2000 to 2005 and holds considerable knowledge of its products and the market landscape. Mr Kent joined the Board in 1998. Mr Kent is a member of the Australian Institute of Company Directors.

## Other current directorships

No other listed company directorships.

**Former directorships in last 3 years:** No other listed company directorships

## Special responsibilities

Chairman of the Board  
Member of Audit Committee (appointed 18th March 2021)  
Member of Remuneration Committee (appointed 18th March 2021)

## Interest in shares and options

589,352,951 ordinary shares

## Experience and expertise

Mr Geoffrey Donohue has over 30 years' experience at both board and senior management level within public companies and the securities industry. Mr Donohue holds a Bachelor of Commerce from James Cook University of North Queensland, Graduate Diploma in Financial Analysis from the Securities Institute of Australia and is a Certified Practising Accountant.

## Other current directorships

No other listed company directorships.

**Former directorships in last 3 years:** E79 Gold Mines Limited

## Special responsibilities

Chair of Audit Committee  
Chair of Remuneration Committee (retired 18th March 2021)  
Member of Remuneration Committee (appointed 18th March 2021)

## Interest in shares and options

64,055,746 ordinary shares

## Experience and expertise

Mrs Klinger has over 20 years leadership experience in digital marketing and communications, publications, sponsorship and events with high profile consumer and B2B brands in Asia and Australia. Mrs Klinger is a graduate of the Australian Institute of Company Directors, holds a Bachelor of Economics (Sydney University) and Master of Commerce in Marketing (UNSW).

## Other current directorships

AMP Superannuation  
Trustee Board  
Procurement Australia  
Rigetti Australia

**Former directorships in last 3 years:** No other listed company directorships

## Special responsibilities

Chair of Remuneration Committee (appointed 18th March 2021)  
Member of Audit Committee (appointed 18th March 2021)

## Interest in shares and options

1,403,038 ordinary shares

## Experience and expertise

Since joining the company in 2007, Mr Alex Kent has worked across all divisions of Aspermont, building an extensive knowledge of its product portfolio and has been a key driver in the overall business vision. He held executive roles in both marketing and digital strategy prior to becoming Managing Director. Mr Kent previously graduated through Microsoft's Executive Academy and with a double honours degree in Economics, Accounting and Business Law.

## Other current directorships

No other listed company directorships.

**Former directorships in last 3 years:** No other listed company directorships

## Special responsibilities

Managing Director

## Interest in shares and options

271,357,877 ordinary shares  
258,245,641 options  
88,650,000 performance rights

## Experience and expertise

Mr Stark is an experienced business manager with experience and interests across various companies. Mr Stark has been a member of the Board since 2000. Mr Stark was appointed Alternative Director to Mr Andrew Kent on the 26th May 2018.

## Other current directorships

No other listed company directorships.

**Former directorships in last 3 years:** No other listed company directorships

## Special responsibilities

Alternative Director

## Interest in shares and options

407,470,603 ordinary shares



# EXECUTIVE MANAGEMENT TEAM

**AJIT PATEL**

Chief Operating Officer

**NISHIL KHIASIA**

Chief Financial Officer

**MATT SMITH**

Chief Commercial Officer

**IAN HART**Chief Content & Strategy  
Officer**Experience and expertise**

Mr Patel has more than 30 years of experience in the media industry. Prior to Aspermont, he worked for Incisive Media in London, where he was responsible globally for infrastructure, software development, online strategy, vendor management and large-scale systems implementation and prior to that he was the CTO for VNU (now Nielsen).

Mr Patel is responsible for Aspermont's online strategy alongside managing the IT, Digital, Production, Marketing, Subscription & Event functions across the group.

His role reflects the Group's priority to further strengthen its online and digital presence.

**Experience and expertise**

Mr Khimasia has over 25 years' experience in financial management, business development and transformation in entrepreneurial growing companies. Prior to Aspermont, Mr Khimasia held CFO and General Management positions at Equifax UK & Ireland, part of Equifax Inc., one of the world's largest information solutions providers, with responsibility for developing UK & Ireland business.

His experience in developing information solutions, big data and analytics adds great value to Aspermont in optimising the benefits of its digital and data strategy

**Experience and expertise**

Mr Smith has over 20 years of experience in global media sales. His previous role was President at International Data Group (IDG), the world's largest technology media organisation, where he directly managed and led the global demand generation business and data strategy.

His role at Aspermont gives him full remit over all the company's commercial activities.

Mr Smith is focused on building a truly solution-sales based culture and framework within Aspermont to enable the company to maximise its media, data, events, and service-based solutions.

**Experience and expertise**

Mr Hart has 20 years experience in B2B subscription-orientated information and data businesses. He was most recently Managing Director at IHS Markit specialising in food and agricultural inputs such as fertilisers. Ian held various product and editorial management roles over his career and has specialised in leading and scaling teams to transform and launch new high value products by placing emphasis on deeply understanding customer needs.

This has been achieved through bringing together deep industry experts with market-leading technology and data approaches and partnering with customers and others in the industry to create value.



# DIRECTOR'S REPORT

The Directors present the consolidated financial report of Aspermont Limited and its controlled subsidiaries (the Group or Aspermont) for the year ended 30 September 2021.

## Principal activities

The Group's principal activities during the period were to provide market specific content across the Resource sectors through a combination of print, digital media channels and face to face networking channels.

## Operating results

The consolidated profit before tax for the group was \$0.1 million (2020: loss \$0.9 million).

## Dividends

No dividend has been declared for the period (2020: no dividend).

## Review of operations

A review of the operations of the Group during the financial year has been set out in pages 2 to 21 of this report.

## Significant changes in the state of affairs

The significant changes in the state of affairs of the Group during the year are outlined in the preceding review of operations.

## Events subsequent to the end of the year

There were no events subsequent to the year-end that require disclosure.

## Likely developments and expected results of operations

The upcoming year is expected to be one of growth and inward investment despite the continuing impacts of Covid-19. The business intends to focus on its innovation hubs to deliver new products to market that suit the conditions whilst also expecting the return of its live events division.

As announced in August 2021, we are excited about the launch of the new fintech venture with two other partners focussing on providing a capital raising platform for sophisticated investors on the ASX market.

## Environmental regulations

Environmental regulations do not have any impact on the Group, and the Group is not required to report under the National Greenhouse and Energy Reporting Act 2007.

## Directors

The following were directors of Aspermont Limited during the financial year and up to the date of this report:

Name	Title	
Andrew L Kent	Chairman and Non-executive Director	
Geoffrey Donohue	Lead Independent Director	
Tricia Klinger	Non-executive Director	Appointed 2nd March 2021
Alex Kent	Managing Director	
John Stark	Alternative Director	
Christian West	Non-executive Director	Retired 2nd March 2021
Clayton Witter	Non-executive Director	Retired 2nd March 2021

## Director's Meetings

The number of meetings of the Company's Board of Directors and of each Board committee held during the year ended 30 September 2021, and the number of meetings attended by each director were:

	Board		Audit & Risk Committee		Remuneration Committee	
	Meetings Held	Meetings Attended	Meetings Held	Meetings Attended	Meetings Held	Meetings Attended
<b>A.L Kent</b>	12	12	2 <sup>(1)</sup>	2	-	-
<b>G Donohue</b>	12	12	5	5	2	2
<b>T Klinger</b>	6 <sup>(1)</sup>	6	2 <sup>(1)</sup>	2	-	-
<b>A Kent</b>	12	12	**	**	**	**
<b>J Stark</b>	12	10	**	**	**	**
<b>C West</b>	6 <sup>(1)</sup>	6	3 <sup>(1)</sup>	3	2	2
<b>C Witter</b>	6 <sup>(1)</sup>	6	3 <sup>(1)</sup>	3	2	2

<sup>(1)</sup> Number of meetings held during the time the director held office or was a member of the committee during the year.

\*\* Not a member of the relevant committee

## Company Secretary

### Tim Edwards (Group Financial Controller and Company Secretary)

Mr Edwards was appointed to the position of Company Secretary on 5th February 2020. Mr Edwards is a Qualified Chartered Accountant and an Associate of Governance Institute of Australia.

## Auditors declaration

The lead auditor's independence declaration is set out on page 39 and forms part of the director's report for the year ended 30 September 2021.

## Rounding of amounts

The parent entity has applied the relief available to it under Legislative Instrument 2016/191 and accordingly, amounts in the financial statements have been rounded off to the nearest thousand dollars, unless otherwise stated.

## Shares under option

Unissued ordinary shares of Aspermont Limited under option at the date of this report are as follows:

Date of Issue	Date of Expiry	Exercise Price	Number of Options
12-Dec-17	12-Dec-22	3c	10,000,000
18-Oct-16	30-Sep-25	3c	303,577,323
13-Sep-21	30-Sep-25	3c	20,000,000

## Insurance of officers

During the financial year, Aspermont Limited paid a premium to insure the directors and officers of the Company and its Australian-based controlled entities.

The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of entities in the Group, and any other payments arising from liabilities incurred by the officers in connection with such proceedings.

Not included are such liabilities that arise from conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else to cause detriment to the Company. It is not possible to apportion the premium between amounts relating to the insurance against legal costs and those relating to other liabilities.

### Indemnity of auditors

The Company has not, during or since the end of the financial year, given an indemnity or entered into an agreement to indemnify, or paid insurance premiums in respect of the auditors of the Group.

### Proceedings on behalf of the Company

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to 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 part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the Corporations Act 2001.

### Non-audit services

The Group may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company and/or the Group are important.

The Board of Directors has considered the position and, in accordance with advice received from the audit committee, is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The directors are satisfied that the provision of non-audit services by the auditor, as set out below, did not compromise the auditor independence requirements of the Corporations Act 2001 for the following reasons:

- All non-audit services have been reviewed by the audit committee to ensure they do not impact the impartiality and objectivity of the auditor.
- None of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants.

During the year the following fees were paid or payable for non-audit services provided by the auditor of the parent entity, its related practices and non-related audit firms:

	2021 \$	2020 \$
Tax compliance	7,615	10,000
Tax advisory	315	-
Total non-assurance remuneration	7,930	10,000

### Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 39. This report of the directors incorporating the remuneration report is made in accordance with a resolution of the Board of Directors.

### Corporate Governance

The Board of Aspermont is committed to good corporate governance. The Board's primary roles are:

- The protection and enhancement of total shareholder returns, and
- Fulfilling its corporate governance obligations and responsibilities in the best interests of the company, its staff and its stakeholders.

Aspermont reports against the fourth edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations released on 27 February 2019. Corporate Governance Statements are released to ASX and are available the Company's website at <http://www.aspermont.com/static/corporate-governance>. Any statements of non-compliance are considered appropriate for a company of the size and structure of Aspermont.



Diversity disclosures regarding the proportion of women in the Aspermont workforce at 30 September 2021:

Directors and Employees	Total	Total	Women
	Men	Women	%
Board	4	1	20%
Senior Management	4	1	20%
Management	6	2	25%
Employees	33	25	43%
<b>Total</b>	<b>47</b>	<b>29</b>	<b>38%</b>

### Remuneration Report

The Remuneration Report forms part of the Directors Report.

Dated 16th December 2021

Signed in accordance with a resolution of Directors:



**Alex Kent**  
Managing Director

# REMUNERATION REPORT (AUDITED)

The information provided in this remuneration report has been audited as required by section 308 (3C) of the *Corporations Act 2001*.

The remuneration report is set out under the following main headings and forms part of the Directors report:

- A** Principles used to determine the nature and amount of remuneration
- B** Details of remuneration
- C** Service agreements
- D-G** Additional information
- H** Other transactions with directors and KMP

## A) Principles used to determine the nature and amount of remuneration

The objective of the Group's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered.

The framework aligns executive reward with achievement of strategic objectives and the creation of long-term value for shareholders and conforms with market practice for delivery of reward.

The Board ensures that executive reward satisfies the following criteria for good reward governance practices:

- competitiveness and reasonableness;
- acceptability to shareholders;
- performance linkage/ alignment of executive compensation; and
- transparency.

### Alignment to shareholders' interests:

- has sustainable economic profit as a core component of plan design;
- focuses on key fundamentals for long term growth in shareholder wealth, consisting of dividends and growth in share price, and delivering constant return on assets as well as focusing the executive on key non-financial drivers of value; and
- attracts and retains high caliber executives.

### Alignment to program participants' interests:

- rewards capability and experience;
- reflects competitive reward for contribution to growth in shareholder wealth;
- provides a clear structure for earning rewards; and
- provides a recognition for contribution.

The Board has established a Remuneration Committee which provides advice on remuneration and incentive policies and practices, and specific recommendations on remuneration packages and other terms of employment for executive directors, other senior executives and non-executive directors.

### Remuneration Consultants

During the financial year the Group's remuneration committee did meet but did not engage the services of a remuneration consultant.

### Directors' fees:

The base remuneration was reviewed in the year and the following base fees were determined:

Base fees	30 September 2021
Non-Executive Chairman	\$100,000 <sup>(1)</sup>
Non-Executive Directors	\$45,000
Lead Independent Director	\$100,000

<sup>(1)</sup>The Chairman in addition to base fees also has an agreement with management for additional non-chairman related services amounting to \$100,000 per annum

## Executive pay

The executive pay and reward framework have three components. The combination of these comprises an executive's total remuneration.

### Base Pay

This is structured as a total employment cost package which may be delivered as a combination of cash and prescribed non-financial benefits at the executives' discretion. Executives are offered a competitive base pay that comprises the fixed component of pay and rewards. Base pay for executives is reviewed annually. An executive's pay is also reviewed on promotion. There are no guaranteed base pay increases in an executive's contract and there have been no rises in base pay for any executive over the last few years.

### Benefits

Executives receive benefits including health and life insurance.

### Superannuation & Pension

United Kingdom based Executives are paid a pension of up to 10% on their base salary. Executives may elect to sacrifice base pay into superannuation at their discretion.

## Short-term incentives (STI)

Short Term Incentives (STI) are an 'at risk' annual bonus payment for executives. The composition of STI are focused on a combination of financial, operational and strategic priorities. Each executive STI is tailored to the achievement of objectives under that executive's direct sphere of influence and roughly 60% of all executive STI's are shared team goals to encourage collective responsibility and goal congruence throughout all divisions of the business.

Feature	Description																				
Max opportunity	MD and other executives: 50% of fixed remuneration																				
Performance metrics	<div>The STI metrics align with our strategic priorities of generating profitability so we can self-fund future growth initiatives. They also focus on operational excellence, talent development and shareholder value.</div> <table><tr><th>Metric</th><th>Target</th><th>Weighting</th><th>Reason for selection</th></tr><tr><td>Revenue Growth and EBITDA</td><td>5% Increase &amp; positive EBITDA</td><td>60%</td><td>Manage the business through Covid impact on revenue and cost control</td></tr><tr><td>Increase group's market share in subscriptions</td><td>10% increase</td><td>30%</td><td>Focus of the group's key growth strategy for the next 5 years</td></tr><tr><td>Shareholder Value</td><td>Specific to individuals</td><td>20%</td><td>Increased share price of the company</td></tr><tr><td>Talent Development</td><td>Individual KPIs set annually</td><td>10%</td><td>Talent development and retention</td></tr></table>	Metric	Target	Weighting	Reason for selection	Revenue Growth and EBITDA	5% Increase & positive EBITDA	60%	Manage the business through Covid impact on revenue and cost control	Increase group's market share in subscriptions	10% increase	30%	Focus of the group's key growth strategy for the next 5 years	Shareholder Value	Specific to individuals	20%	Increased share price of the company	Talent Development	Individual KPIs set annually	10%	Talent development and retention
Metric	Target	Weighting	Reason for selection																		
Revenue Growth and EBITDA	5% Increase & positive EBITDA	60%	Manage the business through Covid impact on revenue and cost control																		
Increase group's market share in subscriptions	10% increase	30%	Focus of the group's key growth strategy for the next 5 years																		
Shareholder Value	Specific to individuals	20%	Increased share price of the company																		
Talent Development	Individual KPIs set annually	10%	Talent development and retention																		
Delivery of STI	STI awarded is paid in cash at the end of the financial year and can be deferred at Board's discretion and is subject to forfeiture on resignation.																				
Board discretion	The Board has discretion to adjust remuneration outcomes up or down to prevent any inappropriate reward outcomes, including reducing (down to zero, if appropriate) any deferred STI award.																				





STI's are set and approved annually by the Remuneration Committee.

The payments made for this year are disclosed in the remuneration table on page 31 as well as 33 showing how much each award represented as percentage of each individual fixed remuneration.

### Long-term incentives

Long-term incentives are provided to certain employees to incentivise long-term objectives and tenure via performance rights. Performance Rights provide a non-cash incentive that aligns directors and employees interests with those of the shareholders and are granted to motivate and retain directors and employees over a multi-year tenure.

The Company granted Performance Rights for this financial period as disclosed on page 36.

## B) Details of remuneration

### *Amounts of remuneration*

Details of the remuneration of the directors and key management personnel of the Group (as defined in AASB 124 Related Party Disclosures) of Aspermont Limited and the Aspermont Limited Group are set out in the following tables.

The key management personnel of the Group are the following:

- **Andrew Leslie Kent** – Chairman and Non-Executive Director
- **Alex Kent** – Managing Director, Group
- **John Stark** – Alternative Director to Mr Andrew Kent
- **Geoffrey Donohue** – Lead Independent Director
- **Tricia Klinger** - Non-Executive Director (Appointed 02nd March 2021)
- **Christian West** – Non-Executive Director (Retired 02nd March 2021)
- **Clayton Witter** – Non-Executive Director (Retired 02nd March 2021)
- **Ajit Patel** – Chief Operating Officer, Group
- **Nishil Khimasia** – Chief Financial Officer, Group
- **Matt Smith** – Chief Commercial Officer, Group
- **Ian Hart** - Chief Content and Strategy Officer, Group (Appointed on 20th September 2021)

Details of Directors and key management personnel of the Group remuneration for the year ended 30 September 2021 are as follows:

2021	Short-term employee benefits			Share based payments	Long term employee benefits	Post-employment benefits	
Name	Salary or fees	STI related payments	Non-monetary benefits	Performance rights <sup>(1)</sup>	Long service leave	Super-annuation/ Pension	Total
<i>Executive directors</i>							
A Kent <sup>(2)</sup>	360,497	147,476	30,664	181,467	-	-	720,104
Sub-total	360,497	147,476	30,664	181,467	-	-	720,104
<i>Non-executive directors</i>							
A.L Kent (Chairman)	191,324	-	-	-	-	8,790	200,114
G Donohue	100,000	-	-	-	-	-	100,000
T Klinger <sup>(4)</sup>	25,924	-	-	-	-	2,519	28,443
C West <sup>(5) (6)</sup>	30,242	-	-	-	-	-	30,242
C Witter <sup>(5) (6)</sup>	30,242	-	-	-	-	-	30,242
Sub-total	377,732	-	-	-	-	11,309	389,041
<i>Other key management personnel</i>							
A Patel <sup>(2)</sup>	273,104	150,207	21,312	60,489	-	27,310	532,422
N Khimasia <sup>(2)</sup>	273,104	102,414	8,325	60,489	-	21,848	466,180
M Smith <sup>(2)</sup>	273,104	122,897	4,109	51,654	-	21,848	473,612
I. Hart <sup>(2)(3)</sup>	9,310	-	-	-	-	-	9,310
Sub-total	828,622	375,518	33,746	172,632	-	71,007	1,481,525
<b>Total (Group)</b>	<b>1,566,851</b>	<b>522,994</b>	<b>64,410</b>	<b>354,099</b>	<b>-</b>	<b>82,316</b>	<b>2,590,670</b>

<sup>(1)</sup> Performance rights have been issued to executives for four consecutive years. Further detail can be found in note F on page 36.

<sup>(2)</sup> Executive remuneration, contracted in British Pounds, has been converted to Australian Dollars at the average exchange rate for the year ended 30 September. There has been no growth in the base pay of any executive over the last few years.

<sup>(3)</sup> Ian Hart joined on 20th September 2021.

<sup>(4)</sup> Joined on 2nd March 2021.

<sup>(5)</sup> Retired on 2nd March 2021. 50% Director pay cuts for from Apr-20 to Dec-20 was reversed and paid to directors on retirement.

<sup>(6)</sup> Figures inclusive of remuneration paid to directors during the period they were classed as a related party of Aspermont only. Post being classed as a related party of Aspermont the directors were issued 10,000,000 options each as detailed in note 13.

Key management personnel of the Group and other executives of the Company and the Group (continued):

2020	Short-term employee benefits			Share based payments	Long term employee benefits	Post-employment benefits	
Name	Salary or fees	STI related payments	Non-monetary benefits	Performance rights <sup>(1)</sup>	Long service leave	Super-annuation/ Pension	Total
<i>Executive directors</i>							
A Kent <sup>(2)</sup>	372,438	102,903	27,991	189,794	-	-	693,126
Sub-total	372,438	102,903	27,991	189,794	-	-	693,126
<i>Non-executive directors</i>							
A.L Kent (Chairman)	168,493	-	-	-	-	6,507	175,000
G Donohue <sup>(3)</sup>	75,000	-	-	-	-	-	75,000
C West <sup>(4)</sup>	32,330	-	-	-	-	-	32,330
C Witter <sup>(4)</sup>	33,750	-	-	-	-	-	32,750
Sub-total	309,573	-	-	-	-	6,507	316,080
<i>Other key management personnel</i>							
A Patel <sup>(2)</sup>	282,150	59,068	19,523	63,265	-	28,215	452,221
N Khimasia <sup>(2)</sup>	282,150	69,691	7,821	63,265	-	22,572	445,499
M Smith <sup>(2)</sup>	282,150	34,045	3,934	36,760	-	22,572	379,461
L Thorne <sup>(2)(5)</sup>	65,707	4,085	495	-	-	-	70,287
Sub-total	912,157	166,889	31,773	163,290	-	73,359	1,347,468
<b>Total (Group)</b>	<b>1,594,168</b>	<b>269,792</b>	<b>59,764</b>	<b>353,084</b>	<b>-</b>	<b>79,866</b>	<b>2,356,674</b>

<sup>(1)</sup> Performance rights have been issued to executives for three consecutive years. The value of those rights that has vested or been exercised is \$nil.

<sup>(2)</sup> UK executive remuneration, paid in British Pounds, has been converted to Australian Dollars at the average exchange rate for the year ended 30 September. All executives participated in cash pay reduction of 30% for the 4-month period from 1 July ending on 31 October 2020 and took a 30% payment in equity in lieu. There has been no growth in the base pay of any executive over the last few years.

<sup>(3)</sup> Remuneration of 62,500 was in stock with the share price set at the higher of volume weighted average price (VWAP) over the 3-month period of services rendered or 0.01. At year end, 12,500 was outstanding and this was settled in cash.

<sup>(4)</sup> Remuneration was all settled in cash.

<sup>(5)</sup> Leah was on maternity leave from September 2019 and returned in June 2020. From June 2020 to September 2020, she was on reduced working hours of 4 days a week.



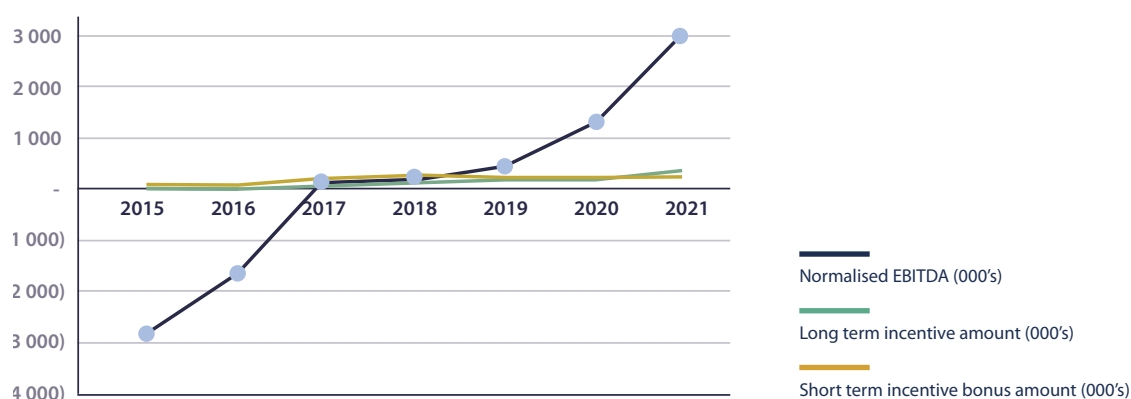
The relative proportions of remuneration that are linked to performance (variable component) and those that are fixed are as follows:

Name	Fixed remuneration 2021	At risk – STI 2021	At risk – LTI 2021
<i>Executive directors</i>			
A Kent	54%	20%	26%
<i>Non-Executive directors</i>			
A.L Kent (Chairman)	100%	-	-
J Stark	100%	-	-
G Donohue	100%	-	-
T Klinger	100%	-	-
C Witter	100%	-	-
<i>Other key management personnel</i>			
A Patel	60%	28%	12%
N Khimasia	65%	22%	13%
M Smith	63%	26%	11%
I Hart	100%	-	-

The following table demonstrates the Group's performance over shareholder value during the last five years:

	2017	2018	2019	2020	2021
Profit attributable to owners of the company	(1,342,604)	(1,025,000)	(7,452,000)	(970,000)	115,000
Dividends paid	-	-	-	-	-
Share price at 30 Sept	\$0.01	\$0.01	\$0.01	\$0.007	\$0.025
Return on capital employed	(15.7%)	(9.8%)	(282.9%)	(11.4%)	1.0%

The graph below illustrates the link between the Group's financial performance and the incentive compensation amounts (including the value of share options in long term incentives) for the key management personnel and further demonstrates wider strategic focus from incentive compensation that is not directly linked to just earnings:



### C) Service agreements

On appointment to the Board, all directors enter into a service agreement with the Company in the form of a letter of appointment. The letter summarises the Board policies and terms, including compensation, relevant to the office of the director.

Remuneration and other terms of employment for the Managing Director and other key management personnel are formalised and reviewed by the Remuneration Committee. Each of these agreements provides for the provision of performance-related cash & share based bonuses, other benefits including certain expenses and allowances. Other major provisions of the agreements relating to remuneration are set out below.

All contracts with executives may be terminated early by either party subject to termination payments as detailed below:

#### A. Kent - Managing Director, Group

- Term of agreement – updated commencing 1 July 2016.
- Base compensation, STI and benefits for the year ended 30 September 2021 is GBP 295,842 (AUD \$538,637).
- Payment of a benefit on early termination by the Company, other than for gross misconduct, equal to 12 months' base salary.
- Notice period: 12 months.

#### A. Patel - Chief Operating Officer, Group

- Term of agreement – ongoing commencing 23 January 2013.
- Base compensation, inclusive of salary, STI, pension contribution and benefits, for the year ended 30 September 2021 is GBP 259,205 (AUD \$471,933). This amount to be reviewed annually by the remuneration committee.
- Payment of a benefit on early termination by the Company, other than for gross misconduct, equal to 6 months' base salary.
- Notice period: 6 months

#### N. Khimasia - Chief Financial Officer, Group

- Term of agreement – ongoing, commencing November 2015.
- Base compensation, inclusive of salary, STI, pension contribution and benefits for year ended 30 September 2021 of GBP 222,822 (AUD \$405,691).
- Payment of a benefit on early termination by the Company, other than for gross misconduct, equal to 6 months' base salary.
- Notice period: 6 months

#### M. Smith - Chief Commercial Officer, Group

- Term of agreement – ongoing, commencing August 2018.
- Base compensation, inclusive of salary, STI, pension contribution and benefits for the year period ended 30 September 2021 of GBP 231,757 (AUD \$421,958).
- Payment of a benefit on early termination by the Company, other than for gross misconduct, equal to 6 months' base salary.
- Notice period: 6 months

#### I. Hart - Chief Content and Strategy Officer, Group

- Term of agreement – ongoing, commencing September 2021.
- Base compensation, inclusive of salary, STI, pension contribution and benefits for the year period ended 30 September 2021 of GBP 5,114 (AUD \$9,310).
- Payment of a benefit on early termination by the Company, other than for gross misconduct, equal to 6 months' base salary.
- Notice period: 6 months

**D) Options held by directors and key management personnel**

The numbers of options over ordinary shares in the Company held during the year by each director and other key management personnel, including their personally related parties, are set out below. All outstanding options were fully vested on the date of grant.

	Balance 1 October 2020	Received as part of convertible note issue	Exercised	Forfeited	Balance 30 September 2021
<b>Directors</b>					
A. Kent and beneficial interests	258,245,641	-	-	-	258,245,641

No other director options were exercised or lapsed in Aspermont Limited in 2021.

**E) Number of shares held by directors and key management personnel (KMP)**

The number of shares in the Company held during the financial year by each director and other key management personnel, including their personally related parties, are set out below. There were no shares issued during the year for the exercise of options.

	Balance 1 October 2020	Disposed	Acquired <sup>(1)</sup>	Balance at resigna- tion / appointment	Balance 30 September 2021
<b>Directors</b>					
A.L Kent and beneficial interests	588,692,951	-	660,000	-	589,352,951
J Stark and beneficial interests	407,170,603	-	300,000	-	407,470,603
A Kent and beneficial interests	266,892,102	-	4,465,775	-	271,357,877
G Donohue and beneficial interests	64,055,746	-	-	-	64,055,746
T Klinger	-	-	-	1,403,038	1,403,038
C West	9,009,925	-	-	9,009,925	-
C Witter and beneficial interests	5,929,567	-	-	5,929,567	-
<b>Other KMP</b>					
N Khimasia and beneficial interests	15,611,947	(3,000,000)	11,056,173	-	23,668,120
A Patel and beneficial interests	14,005,060	-	2,056,173	-	16,061,233
M Smith	4,285,715	-	2,240,077	-	6,525,792

<sup>(1)</sup>This represents shares acquired either on the market, via exercise of performance rights or from the equity in lieu scheme.

No other shares were issued to key management personnel and other executives of the Company and the Group during 2021.



## F) Employee Performance Rights

The Company issued 45,980,104 Performance Rights during the reporting year to a director and employees pursuant to the Aspermont Performance Rights Plan ("The Plan").

The value and number of Performance Rights that have vested or were exercised during the year is included in the table below.

At 30 September 2021, the Company had the following unlisted Performance Rights in issue:

	Issue Year	Rights Outstanding at Start of the Year (no.)	Share Rights Granted in Year (no.)	Award Date	Fair Value per Right at award date \$	Vesting Date	Vested (no.)	Exercised (no.)	Forfeited (no.)	Rights Outstanding at End of the Year (no.)
<b>Managing Director</b>	FY 18	13,500,000 <sup>(1)</sup>	-	01-Feb-18	\$0.009000	01-Feb-2021	13,500,000	-	-	13,500,000
	FY 18	13,500,000 <sup>(2)</sup>	-	01-Feb-18	\$0.007096	01-Feb-2021	12,150,000	-	1,350,000	12,150,000
	FY 19	10,500,000 <sup>(1)</sup>	-	24-May-19	\$0.011000	25-May-2022	-	-	-	10,500,000
	FY 19	10,500,000 <sup>(2)</sup>	-	24-May-19	\$0.009308	25-May-2022	-	-	-	10,500,000
	FY 20	10,500,000 <sup>(1)</sup>	-	05-Feb-20	\$0.009000	05-Feb-2023	-	-	-	10,500,000
	FY 20	10,500,000 <sup>(2)</sup>	-	05-Feb-20	\$0.007800	05-Feb-2023	-	-	-	10,500,000
	FY 21	-	21,000,000 <sup>(3)</sup>	15-Jul-21	\$0.017200	15-Jul-2024	-	-	-	21,000,000
<b>KMPs</b>	FY 18	18,000,000 <sup>(3)</sup>	-	01-Feb-18	\$0.009000	01-Feb-2021	18,000,000	9,000,000	-	-
	FY 19	21,000,000 <sup>(3)</sup>	-	24-May-19	\$0.011000	25-May-2022	-	-	-	9,000,000
	FY 20	10,500,000 <sup>(3)</sup>	-	05-Feb-20	\$0.009000	05-Feb-2023	-	-	-	21,000,000
	FY 20	10,500,000 <sup>(3)</sup>	-	05-Feb-20	\$0.007800	05-Feb-2023	-	-	-	10,500,000
	FY21	-	21,000,000	15-Jul-21	\$0.017200	15-Jul-2021	-	-	-	10,500,000
<b>Employees<sup>(4)</sup></b>	FY 19	1,750,000	-	30-Nov-18	\$0.010300	30-Nov2018/19/20	1,750,000	250,000	-	1,500,000
	FY 20	3,622,970	-	15-Nov-19	\$0.010351	15-Nov2019/20/21	1,932,252	1,449,189	724,594	1,449,187
	FY 21	-	3,980,104	25-Jun-21	\$0.010050	25-Jun2021/22/23	1,326,704	995,028	-	2,985,076
<b>Total Rights in Issue</b>		<b>134,372,970</b>	<b>45,980,104</b>					<b>11,694,217</b>	<b>2,074,594</b>	<b>166,584,263</b>

The Plan was approved by the shareholders at the February 2018 annual general meeting, and was re approved at the March 2021 annual general meeting. The scheme is designed to provide long-term incentives to the executive management team (including executive Directors) to deliver long-term shareholder returns. Under the Plan, participants are granted Performance Rights to receive ordinary shares which only vest if certain performance conditions are met. Participation in the Plan is at the Board's discretion and no individual has a contractual right to participate in the Plan or to receive any guaranteed benefits. The Board can amend vesting conditions on issued Performance Rights. Any change to vesting conditions which affects a related party requires shareholder approval.

**Performance Rights for the Managing Director for FY18, FY19 and FY20 have the following performance conditions:**

<sup>(1)</sup> Fifty percent of grant vests if the Company's returns on equity over a three-year period are within 50-75% range of all companies in the S&P ASX 300.

<sup>(2)</sup> Fifty percent of grant vests if the Company's total shareholder return (TSR) over a three-year period is within 50-75% range of all companies in the S&P ASX 300.

**Performance Rights for the Managing Director for FY21 and for KMPs for all years have the following performance conditions:**

<sup>(3)</sup> Time based and will be eligible to vest from the third anniversary from the grant dates.

<sup>(4)</sup> The grant of employee performance rights are subject to certain milestone conditions: A three year period, 33.3% of the total performance rights will vest per annum with the first tranche eligible for vest upon issue of the Performance Rights. Any Rights not exercised on the measurement date lapse.

Once vested, the Performance Rights remain exercisable for a period of four years. Performance Rights are granted under the Plan for no consideration and carry no voting rights during the vesting period. The Performance Rights have an implied service condition meaning the Directors and Employees must remain employed for the entire period.

The Performance Rights issued in FY21 were valued for a total of \$762,400 being expensed over the vesting period, with \$65,167 charged to the Consolidated Income Statement for this reporting period. This is reflected in the share-based payment expense at 30 September 2021.

**Fair values were determined as follows:**

The fair value at grant date for Managing Director and KMP Performance Rights were based on an independent valuation performed by Moore. The Key Variables used in this model are as follows:

Variable	Input
Valuation Date	15-Jul-21
Spot Price (\$)	\$0.0290
Exercise Price (\$)	Nil
Issue Date	15-Jul-21
Expiry date	15-Jul-28
Expected future volatility (%)	82%
Risk free rate (%)	0.64%
Dividend yield (%)	0%
Vesting Date	15-Jul-24
Provision for Employee Exit (%)	16%

The fair value at grant date for Employee Performance Rights was based on the Aspermont 12 month volume weighted average market price for FY20.

**G) Loans from directors related entities**

Liabilities to Mr A.L Kent and entities related to them are set out below.

	2021	2020
<b>Andrew L. Kent</b>		
Beginning of year	16,000	45,700
Loan Repayments / (advances)	26,289	(29,700)
End of year/period – owed	42,289	16,000



#### **H) Other transactions with directors and key management personnel**

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A number of directors, or their related parties, hold positions in other entities that result in them having control or joint control over the financial or operating policies of those entities.

These entities transacted with the Group during the year. The terms and conditions of the transactions with directors and their related parties were no more favourable than those available, or which might reasonably be expected to be available, on similar transactions to non-key management personnel related entities on an arm's length basis.

The Group leases its principal office facility from Ileveter Pty Ltd, a company associated with a director, Mr A.L Kent. The rent paid was at market rates at the time of lease inception and amounted to \$488,808 for the current year (2020: \$488,019). The lease agreement has a term of five years expiring October 2022.

At 30 September 2021, the Company owed \$25,000 (2020: \$23,750) in unpaid Director Fees to current Non-Executive Directors of the Company. At the AGM, 100% of votes received were in favour of adoption of the remuneration report. Votes received represented 3% of the full registry.

**This is the end of the Audited Remuneration Report.**



# AUDITOR'S INDEPENDENCE DECLARATION

## ELDERTON

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### AUDIT PTY LTD

#### Auditor's Independence Declaration

To those charged with Governance of Aspermont Limited.

As auditor for the audit of Aspermont Limited for the year ended 30 September 2021, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- the independence requirements of the *Corporations Act 2001* in relation to the audit; and
- any applicable code of professional conduct in relation to the audit.

*Elderton Audit Pty Ltd*

**Elderton Audit Pty Ltd**

*Nicholas Hollens*

**Nicholas Hollens**  
Managing Director

Perth  
16 December 2021

Limited liability by a scheme approved under Professional Standards Legislation

T +61 8 6324 2900  
ABN 51 609 542 458

E info@eldertongroup.com  
W www.eldertongroup.com

A Level 2, 267 St Georges Terrace, Perth WA 6000



# FINANCIAL STATEMENTS

## Consolidated Statement Income and other comprehensive income

	Note	30 Sept 2021 \$'000	30 Sept 2020 \$'000
<b>Continuing Operations</b>			
Revenue	4	16,053	15,204
Cost of sales		(5,570)	(6,324)
<b>Gross Profit</b>		<b>10,483</b>	<b>8,880</b>
Distribution expenses		(557)	(527)
Marketing expenses		(3,741)	(4,315)
Occupancy expenses		(193)	(392)
Corporate and administration		(4,743)	(4,229)
Finance costs		(114)	(82)
Share based payments	13b	(573)	(664)
Other expenses		(770)	(763)
Other income	4	323	1,218
<b>Profit/(loss) before income tax</b>		<b>115</b>	<b>(874)</b>
Income tax benefit/(expense)	6	-	(96)
<b>Net profit/(loss) attributable to equity holders of the parent entity</b>		<b>115</b>	<b>(970)</b>
<b>Other Comprehensive Income</b> (Items that will be reclassified to profit or loss)			
Foreign currency translation differences for foreign operations		31	121
<b>Other comprehensive income/(loss)</b>		<b>31</b>	<b>121</b>
<b>Total comprehensive income/(loss) attributable to equity holders of parent entity</b>		<b>146</b>	<b>(849)</b>
<b>Earnings per share information</b>			
		Cents	Cents
Basic earnings per share	19	0.005	(0.05)
Diluted Earnings per share	19	0.005	(0.05)

The accompanying notes form part of these consolidated financial statements.

## Consolidated Statement of Financial Position

	Note	2021 \$000	2020 \$000
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	15	7,028	3,182
Trade and other receivables	7	1,386	1,306
<b>TOTAL CURRENT ASSETS</b>		<b>8,414</b>	<b>4,488</b>
<b>NON-CURRENT ASSETS</b>			
Financial assets		415	71
Property, plant and equipment	9	485	980
Deferred tax assets	6	1,424	1,423
Intangible assets and goodwill	10	8,514	8,400
<b>TOTAL NON-CURRENT ASSETS</b>		<b>10,838</b>	<b>10,874</b>
<b>TOTAL ASSETS</b>		<b>19,252</b>	<b>15,362</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	11	5,098	4,081
Income in advance	12	5,440	5,457
Borrowings		35	35
Lease Liabilities	9b	522	543
Provisions		120	73
<b>TOTAL CURRENT LIABILITIES</b>		<b>11,215</b>	<b>10,189</b>
<b>NON-CURRENT LIABILITIES</b>			
Deferred tax liabilities		1,424	1,423
Lease Liabilities		-	452
Provisions		88	45
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>1,512</b>	<b>1,920</b>
<b>TOTAL LIABILITIES</b>		<b>12,727</b>	<b>12,109</b>
<b>NET ASSETS</b>		<b>6,525</b>	<b>3,253</b>
<b>EQUITY</b>			
Issued capital	13	11,178	8,540
Reserves		(866)	(1,385)
Accumulated losses		(3,787)	(3,902)
<b>TOTAL EQUITY</b>		<b>6,525</b>	<b>3,253</b>

The accompanying notes form part of these consolidated financial statements.

## Consolidated Statement of Changes in Equity

	Issued Capital \$000	Accumulated Losses \$000	Other Reserves \$000	Share Based Reserve \$000	Currency Translation Reserve \$000	Fixed Assets Reserve \$000	Total \$000
<b>Balance at 1 October 2019</b>	<b>7,441</b>	<b>(2,981)</b>	<b>-</b>	<b>1,113</b>	<b>(2,661)</b>	<b>(278)</b>	<b>2,634</b>
Loss for the period	-	(970)	-	-	-	-	(970)
<b>Other comprehensive income</b>							
Foreign currency translation differences for foreign operations	-	-	-	-	121	-	121
<b>Total comprehensive income/(loss)</b>	<b>-</b>	<b>(970)</b>	<b>-</b>	<b>-</b>	<b>121</b>	<b>-</b>	<b>(849)</b>
<b>Transactions with owners in their capacity as owners</b>							
Transfer of expired options	-	49	-	(49)	-	-	-
Shares issued (net of issue costs)	1,099	-	-	-	-	-	1,099
Issue of performance rights	-	-	-	369	-	-	369
<b>Balance at 30 September 2019</b>	<b>8,540</b>	<b>(3,902)</b>	<b>-</b>	<b>1,433</b>	<b>(2,540)</b>	<b>(278)</b>	<b>3,253</b>
<b>Balance at 1 October 2020</b>	<b>8,540</b>	<b>(3,902)</b>	<b>-</b>	<b>1,433</b>	<b>(2,540)</b>	<b>(278)</b>	<b>3,253</b>
Loss for the year	-	115	-	-	-	-	115
<b>Other comprehensive income</b>							
Foreign currency translation differences for foreign operations	-	-	-	-	31	-	31
<b>Total comprehensive income/(loss)</b>	<b>-</b>	<b>115</b>	<b>-</b>	<b>-</b>	<b>31</b>	<b>-</b>	<b>146</b>
<b>Transactions with owners in their capacity as owners</b>							
Transfer of expired options	-	-	-	-	-	-	-
Shares issued (net of issue costs)	2,638	-	-	-	-	-	2,638
Issue of performance rights	-	-	-	488	-	-	488
<b>Balance at 30 September 2021</b>	<b>11,178</b>	<b>(3,787)</b>	<b>-</b>	<b>1,921</b>	<b>(2,509)</b>	<b>(278)</b>	<b>6,525</b>

The accompanying notes form part of these consolidated financial statements.

## Consolidated Statement of Cashflows

	Note	2021 \$000	2020 \$000
<b>Cash flows from operating activities</b>			
Cash receipts from customers		16,346	16,758
Cash payments to suppliers and employees		(13,636)	(14,254)
Interest and other costs of finance paid		(79)	(25)
Interest received		-	2
<b>Net cash (used in)/ from operating activities</b>	<b>15(b)</b>	<b>2,631</b>	<b>2,481</b>
<b>Cash flows from investing activities</b>			
Payments for plant and equipment		(8)	(46)
Payment for intangible assets		(896)	(533)
Interest on lease liabilities		(35)	(57)
<b>Net cash (used in)/from investing activities</b>		<b>(939)</b>	<b>(636)</b>
<b>Cash flows from financing activities</b>			
Proceeds from issue of shares		3,329	1,157
Share issue transaction costs		(690)	(58)
Repayment of lease liabilities		(484)	(484)
<b>Net cash from financing activities</b>		<b>2,155</b>	<b>615</b>
<b>Net increase/(decrease) in cash held</b>		<b>3,847</b>	<b>2,460</b>
<b>Cash at the beginning of the year</b>		<b>3,182</b>	<b>727</b>
Effects of exchange rate changes on the balance of cash held in foreign currencies		(1)	(5)
<b>Cash at the end of the year</b>		<b>7,028</b>	<b>3,182</b>

The accompanying notes form part of these consolidated financial statements.



# NOTES TO THE FINANCIAL STATEMENTS

## 1. General information

Aspermont Limited (the "Company") is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Stock Exchange. The consolidated financial statements of Aspermont Limited and its controlled entities (the "Group") comprises the Company and its subsidiaries and the consolidated entity's interests in associates and jointly controlled entities.

These financial statements were approved for issue by the Board of Directors on 16 December 2021.

**Aspermont Limited's registered office and its principal place of business are as follows:**

Principal place of business and registered office	Principal place of business United Kingdom
613-619 Wellington Street PERTH WA 6000	WeWork 1 Poultry London, UK EC2R 8EJ
Tel: +61 8 6263 9100	Tel: +44 (0) 208 187 2330

## 2. Significant accounting policies

### Statement of compliance

These financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001. The Group is a for-profit entity for the purposes of preparing the financial statements.

The financial report covers the consolidated group of Aspermont Limited and controlled entities. Separate financial statements of Aspermont Limited, as an individual entity, are no longer presented as a consequence of a change to the Corporations Act 2001. Financial information for Aspermont Limited as an individual entity is included in note 3.

The financial report of Aspermont Limited and controlled entities complies with all International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

### Basis of preparation

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected financial assets for which the fair value basis of accounting has been applied.

The accounting policies set out below have been consistently applied to all years presented, unless otherwise stated.

#### *New Accounting Standards Issued but not yet Applied*

Certain new accounting standards and interpretations have been published that are not mandatory for the 30 September 2021 reporting period.

#### *Rounding of Amounts*

The Company is of a kind referred to in Legislative Instrument 2016/191 and in accordance with the Legislative Instrument, amounts in the consolidated financial statements have been rounded off to the nearest thousand dollars, unless otherwise stated.

## 2. Significant accounting policies (continued)

### Going concern

The financial statements have been prepared on the basis that the entity is a going concern, which contemplates the continuity of normal business activity, realization of assets and settlement of liabilities in the normal course of business.

For the year ended 30 September 2021 the entity recorded a profit before tax for the year of \$0.1m, a net cash inflow from operating activities of \$2.6m and net working capital surplus excluding deferred revenue of \$2.6m.

The Directors have reviewed the Company's overall position and believe the Company will have sufficient funds to meet the Company's commitments.

The financial statements have been prepared on the basis that the entity is a going concern, which contemplates the continuity of normal business activity, realisation of assets and settlement of liabilities in the normal course of business for the following reasons:

1. The Directors have forecast the group to generate positive operating cash flows in the next 12 months through an increase in revenue in the digital, subscription and events revenue streams and/or
2. The Directors expect the Group to be successful in securing additional funds through debt or equity issues if the need arises.

### (a) Basis of consolidation

The consolidated accounts comprise the accounts of Aspermont Limited and all of its controlled entities, the "Group". A controlled entity is any entity that Aspermont is exposed to, or has the rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of controlled entities are included in the consolidated accounts from the date on which control commences until the date on which control ceases.

A list of controlled entities is contained in note 14 to the financial statements.

All inter-company balances and transactions between entities in the consolidated group, including any unrealised profits or losses, have been eliminated on consolidation.

Where controlled entities have entered or left the economic entity during the year, their operating results have been included from the date control was obtained or until the date control ceased.

Non-controlling interests in the equity and results of the entities that are controlled are shown as a separate item in the consolidated financial report.

In the parent entity the investments in the subsidiaries are carried at cost, less impairment.

### Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of Aspermont Limited.



## 2. Significant accounting policies (continued)

When the Group ceases to have control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in the Statement of Profit or Loss and Other Comprehensive Income.

The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, jointly controlled entity or financial asset. Any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a jointly controlled entity or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to the Statement of Profit or Loss and Other Comprehensive Income where appropriate.

### (b) Cash and cash equivalents

For the purpose of the statement of cash flows, cash includes:

- i. cash on hand and at call deposits with banks or financial institutions, net of bank overdrafts; and
- ii. investments in money market instruments with less than 14 days to maturity.

### (c) Plant and equipment

Each class of plant and equipment is carried at cost less accumulated depreciation and impairment.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. An asset's carrying amount is written down immediately to its recoverable amount if the carrying amount is greater than the estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the Statement of Profit or Loss and Other Comprehensive Income. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

The depreciable amounts of all plant and equipment are depreciated on a diminishing value basis over their useful lives to the economic entity commencing from the time an asset is held ready for use.

The depreciation rates used for depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Plant and equipment	13.5% - 40%
Right-of-use asset	Range remaining lease term: 1-2 years

### (d) Employee benefits

Provision is made for the Group's liability for employee entitlements arising from services rendered by employees to reporting date. Employee entitlements expected to be settled within one year together with entitlements arising from wages and annual leave, which will be settled after one year, have been measured at their nominal amount. Other employee entitlements payable later than one year has been measured at the present value of the estimated future cash outflows to be made for those entitlements. Contributions are made by the Group to employee superannuation funds and are charged as expenses when incurred.

## 2. Significant accounting policies (continued)

### (e) Financial instruments

#### Recognition

The Group recognises receivables on the date that they are originated. All other financial assets are recognised initially on the trade date at which the Group becomes a party to the contractual provisions of the instrument.

Financial assets are classified based on the objective of the Group's business model for managing the financial assets and the characteristics of the contractual cash flows.

The Group derecognises a financial asset when the contractual cash flows from the asset expires, or it transfers the rights to receive the contractual cash flows such that substantially all the risks and rewards of ownership of the financial asset are transferred.

#### Financial assets at fair value

Financial assets at fair value are non-derivative financial assets.

Financial assets at fair value are measured initially at fair value which includes transaction costs directly attributable to the acquisition of the financial asset. They are measured subsequently at fair value with movements in fair value being recognised in the profit or loss, unless:

- The financial asset is an equity investment, and
- The Group has made an irrevocable election to present gains and losses on the financial asset in other comprehensive income. This election has been made on an individual equity basis.

Dividends from equity investments are included in the profit or loss regardless of whether the election has been made to recognise movements in fair value in other comprehensive income.

Profit or loss arising on the sale of equity investments is recognised in the profit or loss unless the election has been made to recognise fair value movements in other comprehensive income.

#### Financial assets at amortised cost

Financial assets held at amortised cost are non-derivative financial assets with fixed or determinable payments not quoted in an active market. If the financial assets are expected in one year or less they are classified as current assets. If not, they are presented as non-current assets.

#### Impairment

Impairment losses on financial assets at fair value are recognised in profit or loss, unless the election has been made to recognise movements in fair value in other comprehensive income, in which case impairment losses are recognised in other comprehensive income.

### (f) Income tax

The charge for current income tax expense is based on the profit for the year adjusted for any non-assessable or disallowed items. It is calculated using the tax rates that have been enacted or are substantially enacted by the statement of financial position date.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss. Deferred tax is calculated at the tax rates that are expected to apply to the year when the asset is realised or liability is settled.

Deferred tax is credited in the statement of profit or loss and other comprehensive income except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity. Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.



## 2. Significant accounting policies (continued)

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the economic entity will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

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.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Aspermont Limited and its wholly owned Australian subsidiaries have formed an income tax consolidated group under the Tax Consolidation System. Aspermont Limited is responsible for recognising the current and deferred tax assets and liabilities for the tax consolidated group. The Group notified the ATO in April 2004 that it had formed an income tax consolidated group to apply from July 2002.

### Tax consolidation

Aspermont and its wholly owned Australian subsidiaries are a tax consolidated group. As a consequence, as the head entity in the tax consolidated group, Aspermont will recognise current and deferred tax amounts relating to transactions, events and balances of the wholly owned Australian controlled entities in the Group in future financial statements as if those transactions, events and balances were its own, in addition to the current and deferred tax balances arising in relation to its own transactions, events and balances.

These tax amounts are measured as if each entity in the tax consolidated group continues to be a standalone taxpayer in its own right.

### (g) Foreign currency

#### Functional and Presentation Currency

The functional currency of each of the Group's entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

#### Transaction and Balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in the Statement of Profit or Loss or Other Comprehensive Income, except where deferred in equity as a qualifying cash flow or net investment hedge, in which case they are included in other comprehensive income.

## 2. Significant accounting policies (continued)

### Group Companies

The financial results and position of foreign operations whose functional currency is different from the Group's presentation currency are translated as follows:

- Assets and liabilities are translated at year-end exchange rates at that reporting date.
- Income and expenses are translated at average exchange rates for the period.
- All resulting exchange differences arising on translation of foreign operations are transferred directly to the Group's foreign currency translation reserve in the statement of financial position through other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, are recognised in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

### (H) Intangible assets

#### Goodwill

Goodwill and goodwill on consolidation are initially recorded at the amount by which the purchase price for a business exceeds the fair value attributed to its net assets at date of acquisition. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill on acquisition of associates is included in investments in associates.

#### Mastheads

Mastheads acquired separately are capitalised at cost and from a business combination are capitalised at fair value as at the date of acquisition. Following initial recognition, the cost model is applied to the class of intangible assets.

Mastheads are tested for impairment where an indicator of impairment exists, and the carrying amount is reviewed annually by the directors to ensure that it is not in excess of the recoverable amount.

#### IT development and software

Costs incurred in developing products or systems and costs incurred in acquiring software and licenses that will contribute to future period financial benefits through revenue generation and/or cost reduction are capitalised to software and systems. Costs capitalised include direct payroll and payroll related costs of employees' time spent on the project. Amortisation is calculated on a straight-line basis over periods generally ranging from 2 to 5 years.

IT development costs include only those costs directly attributable to the development phase and are only recognised following completion of technical feasibility and where the Group has an intention and ability to use the asset.

#### Intangible assets acquired as part of an acquisition

Intangible assets acquired as part of an acquisition of a business are capitalised separately from goodwill if the asset is separable or arises from contractual or legal rights, and the fair value can be measured reliably on initial recognition. Purchased intangible assets are initially recorded at cost and finite life intangible assets are amortised over their useful economic lives on a straight-line basis.

Where amortisation is calculated on a straight-line basis, the following useful lives have been determined for classes of intangible assets:

<b>Trademarks:</b>	10 years
<b>Customer &amp; subscription contracts/relationships:</b>	5 years

## 2. Significant accounting policies *(continued)*

### (i) Revenue

#### *Recognition and Measurement*

Revenues are recognised at fair value of the consideration received or receivable net of the amount GST or relevant sales tax payable to the relevant taxation authority.

#### *Performance obligations and timing of revenue recognition*

The majority of the Group's revenue is derived from selling services with revenue recognised at a point in time when service has been delivered or consumed by the customer and control has transferred to the customer. This is generally when the services are delivered to or consumed by the customer. There is limited judgement needed in identifying the point control passes.

#### **Advertising and Sponsorship Revenues:**

Revenue for advertising and sponsorship activities are recognised when the advertisement has been broadcast/displayed or the sponsorship service has been performed.

#### **Subscriptions Revenues:**

Subscriptions are received in advance for the subscription period applied for. Subscriptions received during the financial year for content to be published or accessed online after reporting date have been deferred and will be recognised in the accounting period in which the respective content services subscribed for are made available.

#### **Event and Delegate Revenues:**

Event revenue whether for sponsorship, exhibition stand or delegate tickets for attending the event is recognised in the accounting period in which the respective event occurs.

#### *Determining the transaction price*

Most of the Group's revenue is derived from fixed price contracts and therefore the amount of revenue to be earned from each contract is determined by reference to those fixed prices.

#### *Allocating amounts to performance obligations*

For most contracts, there is a fixed unit price for each product sold, with discounts sometimes given for orders placed at a specific time. Therefore, there is no judgement involved in allocating the contract price to each product ordered in such contracts. Where a customer orders more than one product line, the Group is able to determine the split of the total contract price between each product line by reference to each product's standalone selling prices (all product lines are capable of being, and are, sold separately).

#### *Costs of fulfilling contracts*

No judgement is needed to measure the amount of costs of obtaining contracts – it is the commission paid.

#### *Transition*

The Group adopted AASB 15 on the required effective date using the modified retrospective method. Thus, the Group will not apply AASB 15 requirements to the comparative period presented. The Group's revenue recognition policies prior to AASB 15 were in line with the requisites of the new standard and the impact if any would be immaterial.

### (J) Other income

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Grants from the government are recognised as other income when they are received by the Group and all attached conditions have been fulfilled.

## 2. Significant accounting policies *(continued)*

### **(k) Impairment of assets**

At each reporting date, the Group reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the Statement of Profit or Loss.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives. Where 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.

### **(l) Rounding of amounts**

The parent entity has applied the relief available to it under Legislative Instrument 2016/191 and accordingly, amounts in the financial statements have been rounded off to the nearest thousand dollars, unless otherwise stated.

### **(m) Goods and services tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

### **(n) Share-based payment transactions**

The Group in some instances has settled services received through issue of shares or share options. The costs of these transactions are measured by reference to the fair value at the date at which they are granted. Where options are issued, the fair value at grant date is determined using a combination of trinomial and monte carlo option pricing models which require estimated variable inputs. In particular, the expected share price volatility is estimated using the historic volatility (using the expected life of the option), adjusted for any expected changes to future volatility. The cost is recognised together with a corresponding increase in equity over the period in which the performance conditions are fulfilled. Information relating to share based payments is set out in note 13.

### **(o) Critical accounting estimates and judgments**

The Directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group.

#### **Key Estimates — Impairment**

The Group assesses impairment at each reporting date by evaluating conditions specific to the Group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates. Key assumptions used for value-in-use calculations are disclosed in note 10(b).

#### **Key Estimates — Useful lives**

The Group assesses the useful lives at each reporting date in respect of assets within indefinite useful lives such as the Mastheads. The assets are assessed utilising conditions specific to the Group. This requires judgement and consideration of the assets utilisation and continued use within the Group.

#### **Key Estimates — Income tax**

The Aspermont Group operates in multiple jurisdictions which have applicable taxation laws. During any given year Aspermont seeks independent taxation advice and records the impact of that advice and any tax applicable. Should there be a change to the taxation position as a result of past transactions this may give rise to an income tax liability or asset.





## 2. Significant accounting policies *(continued)*

### **Key Estimates — Shared Based Payments**

The Group in some instances has settled services received through issue of shares or share options. The costs of these transactions are measured by reference to the fair value at the date at which they are granted. Where options are issued, the fair value at grant date is determined using a combination of trinomial and monte carlo option pricing models which require estimated variable inputs. In particular, the expected share price volatility is estimated using the historic volatility (using the expected life of the option), adjusted for any expected changes to future volatility. Information relating to share based payments is set out in note 13.

The cost is recognised together with a corresponding increase in equity over the period in which the performance conditions are fulfilled. The Group received shareholder approval on 1 February 2018 for an Incentive Performance Rights Plan for issue to the Executive team. Performance Rights were issued in two tranches:

1. Fifty percent of grant vests if the Company's returns on equity over a three year period are within 50-75% range of all companies in the S&P ASX 300.
2. Fifty percent of grant vests if the Company's total shareholder return (TSR) over a three year period is within 50-75% range of all companies in the S&P ASX 300

Valuation was undertaken in accordance with Accounting Standard AASB 2 ('Share Based Payments') and an independent expert was retained to determine fair value of a tranche of Performance Rights which were based on market conditions. The valuation approach followed a two-step process:

1. calculate the fair value of each PR issued; and
2. determine the total value of the PRs issued giving consideration to the total number of equity instruments expected to vest for Tranche 1.

The Directors interpreted AASB 2 to require the valuer for Tranche 1 to (a) consider the current likely probability of achieving each of the vesting conditions within the specified performance periods, and then (b) determine the number of equity securities that would be expected to vest, based on an estimate of the likely success or failure of each of the vesting conditions for Tranche 1 with non-Market conditions. The Directors concluded that there was 100% estimated probability of success for the Tranche 1 with non-Market conditions.

### **(p) Earnings per share**

#### ***(i) Basic earnings per share***

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Group, excluding any costs of servicing equity other than ordinary shares
- by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus entitlements in ordinary shares issued during the year and excluding treasury shares.

#### ***(ii) Diluted earnings per share***

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

## 2. Significant accounting policies *(continued)*

### (q) Trade receivables

Trade receivables are recognised at fair value, being the original invoice value any credit loss allowance. They are non-interest bearing and generally on 30 credit terms from date of invoice.

The loss allowance is based on a simplified model of recognising lifetime expected credit losses immediately upon recognition. Where a debt is known to be uncollectable, it is considered a bad debt and written off.

### (r) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

### (s) Contributed equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options for the acquisition of a business are not included in the cost of the acquisition as part of the purchase consideration.

### (t) Accounting standards adopted

The Group has adopted the following new accounting standards that have previously been assessed for their impact on the Group's financial report. There have been no changes in the previous assessment of their impact which is not material to the Group:

AASB 2012-3	Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities
AASB 2013-3	Amendments to AASB 136 – Recoverable Disclosures for Non-Financial Assets
AASB 2014-1	Amendments to Australian Accounting Standards (Parts A to C)
AASB 15	Revenues from contracts with Customers
AASB 9	Financial Instruments
AASB 16	Leases

### (w) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Chief Executive Officer who makes strategic decisions.

### 3. Parent entity information

The following details relate to the parent entity only, Aspermont Limited, at 30 September 2021. The information presented here has been prepared using consistent accounting policies as presented in note 2.

	2021 \$'000	2020 \$'000
Current assets	5,559	2,632
Non-current assets	8,722	8,049
<b>Total assets</b>	<b>14,281</b>	<b>10,681</b>
Current liabilities	6,282	5,483
Non-current liabilities	1,474	1,944
<b>Total liabilities</b>	<b>7,756</b>	<b>7,427</b>
Contributed equity	11,178	8,540
Accumulated losses	(5,314)	(5,459)
<b>Reserves:</b>		
Share based payment reserve	1,921	1,753
Financial asset reserves	(276)	(276)
Other Reserves	(639)	(959)
Currency Translation Reserve	(345)	(345)
<b>Total Equity</b>	<b>6,525</b>	<b>3,254</b>
<b>Profit/(Loss) for the year</b>	<b>(945)</b>	<b>(1,440)</b>
<b>Other comprehensive loss for the year</b>	<b>32</b>	<b>121</b>
<b>Total Comprehensive income/(loss) for the year</b>	<b>(913)</b>	<b>(1,319)</b>

#### 4. Revenue

	2021 \$000	2020 \$000
Continuing operations:		
Services	7,067	8,048
Xaas	7,492	6,664
Data	1,494	492
	16,053	15,204
Other income:		
Interest	-	3
Other income	323	1,215
	<b>323</b>	<b>1,218</b>

Amounts contained within other income is income generated through non-core activities such as the disposal of non-core assets or government grants. The reduction in this year is predominantly driven by one-off Covid-19 related Government grants received.

#### 5. Expenses

Profit/ (loss) before income tax includes the following specific expenses:

	2021 \$000	2020 \$000
(a) Expenses:		
Bad debts written off	21	27
Consulting and accounting services	62	82
Depreciation and amortisation of plant, equip and intangible assets	1,119	1,437
Directors fees	370	312
Employee benefits expense	3,337	3,127
Foreign exchange gains/(losses)	83	(53)
Finance costs	111	82
Legal costs	65	(47)
Rental expense on operating lease	193	393
	<b>5,361</b>	<b>5,360</b>
(b) Remuneration of auditors of the parent entity for:		
Auditing or reviewing the accounts	62	82



**6. Taxation**

	2021 \$000	2020 \$000
(a) Income tax expense/(benefit)		
The components of tax expense/ (revenue) comprise:		
Current tax	-	-
Deferred tax	-	96
	-	<b>96</b>
The prima facie tax on profit/ (loss) before tax is reconciled to the income tax as follows:		
Profit/(loss) from operations	115	(874)
Income tax calculated at 26% (2020: 27.5%)	30	(240)
<i>Tax effect of permanent differences:</i>		
Increase in income tax expense due to:		
Non-deductible expenditure	149	183
Tax losses not recognised	32	99
Reversal of previously recognised temporary difference	-	96
Decrease in income tax expense due to:		
Derecognise capital losses		
Non-assessable income	(7)	(42)
Tax losses recouped not previously recognised	(204)	-
Income tax expense/(benefit) attributable to profit from ordinary activities	-	<b>96</b>
<b>Effective tax rate</b>	<b>(0%)</b>	<b>(11%)</b>
(b) Deferred Tax		
Deferred income tax at 30 September relates to the following:		
<b>Liabilities</b>		
Intangible assets in relation to business combinations	<b>1,424</b>	<b>1,423</b>
Other	-	-
Total	<b>1,424</b>	<b>1,423</b>
<b>Assets</b>		
Provisions	<b>485</b>	<b>243</b>
Investment - Subsidiaries	-	-
Future benefit of carried forward losses	<b>939</b>	<b>1,180</b>
Other		
	<b>1,424</b>	<b>1,423</b>

**6. Taxation (continued)**

	Intangible assets relating to business combinations \$000
<b>Balance at 1 October 2018</b>	<b>2,272</b>
- to profit or loss	(753)
- to equity	-
Currency movements	-
<b>Balance at 30 September 2019</b>	<b>1,519</b>
Credited/(charged):	
- to profit or loss	-
- to equity	(96)
Currency movements	-
<b>Balance at 30 September 2020</b>	<b>1,423</b>
Credited/(charged):	
- to profit or loss	-
-to equity	1
Currency movements	-
<b>Balance at 30 September 2021</b>	<b>1,424</b>

The movement in deferred tax assets for each temporary difference during the year is as follows:

	Provisions \$000	Future benefit of carried forward losses \$000	Fair value gain adjustments \$000	Total \$000
<b>Balance at 1 October 2018</b>	<b>176</b>	<b>2,044</b>	<b>52</b>	<b>2,272</b>
Credited/(charged):				
- to profit or loss	15	(768)	-	(753)
- to equity	-	-	-	-
Currency movements				
<b>Balance at 30 September 2019</b>	<b>191</b>	<b>1,276</b>	<b>52</b>	<b>1,519</b>
Credited/(charged):				
- to profit or loss	52	(96)	(52)	(96)
- to equity	-	-	-	-
Currency movements				
<b>Balance at 30 September 2020</b>	<b>243</b>	<b>1,180</b>	<b>-</b>	<b>1,423</b>
Credited/(charged):				
- to profit or loss	242	(241)	-	1
-to equity				
Currency movements				
<b>Balance at 30 September 2021</b>	<b>485</b>	<b>939</b>	<b>-</b>	<b>1,424</b>

**6. Taxation (continued)**

	2021 \$000	2020 \$000
Amounts recognised directly in equity		
Aggregate current and deferred tax arising in the reporting period and not recognised in the statement of comprehensive income but directly debited or credited to equity:		
Net deferred tax – credited directly to equity	1	(96)
Tax expense/(income) relating to items of other comprehensive income	-	-
Financial assets reserve	-	-

*Note 1 - the corporate tax rate for eligible companies will reduce from 30% to 25% by 30 June 2022 providing certain turnover thresholds and other criteria are met. Deferred tax assets and liabilities are required to be measured at the tax rate that is expected to apply in the future income year when the asset is realised or the liability is settled. The Directors have determined that the deferred tax balances be measured at the tax rates stated.*

**Tax consolidation**

Aspermont and its wholly owned Australian subsidiaries are a tax consolidated group. The accounting policy in relation to this legislation is set out in note 2 (f).

On adoption of the tax consolidation legislation, the entities in the tax consolidated group entered into a tax sharing agreement which limits the joint and several liability of the wholly owned entities in the case of a default by the head entity, Aspermont Limited.

**7. Trade and other receivables**

		2021 \$000	2020 \$000
<b>Current</b>			
Trade receivables		1,093	1,004
Allowance for expected credit loss	Note 7(a)	(130)	(112)
		963	892
Other receivables		378	398
Related party receivables	Note 16(b)	45	16
<b>Total current trade and other receivables</b>		<b>1,386</b>	<b>1,306</b>
<b>Non-current</b>			
<b>Total non-current trade and other receivables</b>		<b>-</b>	<b>-</b>

The consolidated entity has recognised a gain of \$21,064 (2020: charge of \$27,806) in profit or loss in respect of the expected credit losses for the year ended 30 September 2021. The total 2021 ECL allowance is \$122,352 as detailed below.

The ageing of the receivables and allowance for expected credit losses provided for above are as follows:

Consolidated	Expected ECL %	Carrying amount \$	Allowance for ECL \$
Not overdue	4.43 %	1,593,316	70,583
0-30 days overdue	5.33 %	24,302	1,296
30-60 days overdue	20.00 %	54,035	10,804
60+ days overdue	28.98 %	136,828	39,659
		<b>1,808,480</b>	<b>122,342</b>

**7. Trade and other receivables (continued)**

Information about the Group's exposure to interest rate risk and credit risk is provided in note 17.

**(a) Allowance for expected credit loss ("ECL")**

As at 30 September 2021 current trade receivables of the Group with a nominal value of \$0.1m were provided against (2020 – \$0.1m).

The ageing of these receivables is as follows:

	2021 \$000	2020 \$000
1 to 3 months	-	-
Over 3 months	130	112
	130	112

Movements in the allowance for the impairment of receivables are as follows:

	2021 \$000	2020 \$000
At 1 October	111	105
Allowance for impairment	8	19
Foreign exchange movement	11	(12)
Receivables written off	-	-
	130	111

The creation and release of the allowance for impaired receivables has been included in "other expenses" in the Statement of Profit or Loss. Amounts charged to the provision are generally written off when there is no expectation of recovering additional cash.

**(b) Past due but not impaired**

As at 30 September 2021, trade receivables of \$0.2m (2020: \$0.4m) were past due but not impaired. These are not considered impaired due to the geographical location resulting in a delay in receiving payment. Trade receivables include revenues deferred. The ageing analysis of these trade debtors is as follows:

	2021 \$000	2020 \$000
1 to 3 months	192	217
Over 3 months	9	193
	201	410

## 7. Trade and other receivables (continued)

The other classes within trade and other receivables do not contain impaired assets and are not past due. Based on the credit history of these other classes, it is expected that these amounts will be received when due. The Group does not hold any collateral in relation to these receivables.

Information about the Group's exposure to foreign currency risk and interest rate risk in relation to trade and other receivables is provided in note 17.

Due to the short term nature of these receivables, their carrying amount is assumed to approximate their fair value. The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of receivable mentioned above.

## 8. Other assets

Prepayments consist of insurance and rent that are recognised over the relevant period.

	2021 \$000	2020 \$000
Prepayments	378	394
	378	394

## 9. Property, Plant and Equipment

Property, Plant and Equipment comprise owned and leased assets that do not meet the definition of investment property.

	Consolidated	
	2021 \$000	2020 \$000
Property, Plant and Equipment – at cost	1,886	1,766
Accumulated depreciation	(1,858)	(1,701)
Owned Property, Plant & Equipment	28	65
Right-of-use assets – at cost	105	105
Accumulated depreciation	(105)	(105)
Right-of-use assets – at 1 October 2018 as previously reported	-	-
Adjustment on transition to AASB 16	-	-
Right-of-use assets – at 30 September 2021	1,818	1,713
Accumulated depreciation	(1,361)	(798)
Right-of-use assets – at 30 September 2021	457	915
<b>Total Property, Plant and Equipment</b>	<b>485</b>	<b>980</b>



**9. Property, Plant and Equipment** *(continued)*
**(a) Movements in carrying amounts**

	Property, Plant and Equipment \$000	Leases and Right-of-use Assets <sup>(b)</sup> \$000	Total \$000
<b>Gross carrying amount</b>			
<b>Balance at 1 October 2019</b>	<b>1,724</b>	<b>1,818</b>	<b>3,542</b>
Adjustment on transition to AASB 16	-	-	-
Additions	46	-	46
Currency movements	(4)	-	(4)
Disposals	-	-	-
<b>Balance at 30 September 2020</b>	<b>1,766</b>	<b>1,818</b>	<b>3,584</b>
Additions	8	-	8
Currency movements	112	-	112
Disposals	-	-	-
<b>Balance at 30 September 2021</b>	<b>1,886</b>	<b>1,818</b>	<b>3,704</b>
<b>Accumulated Depreciation</b>			
<b>Balance at 1 October 2019</b>	<b>(1,648)</b>	<b>(448)</b>	<b>(2,096)</b>
Adjustment on transition to AASB 16	-	-	-
Depreciation expense	(56)	(456)	(512)
Currency movements	4	-	4
Disposals	-	-	-
<b>Balance at 30 September 2020</b>	<b>(1,700)</b>	<b>(904)</b>	<b>(2,604)</b>
Adjustment on transition to AASB 16	-	-	-
Depreciation expense	(51)	(457)	(508)
Currency movements	(107)	-	(107)
Disposals	-	-	-
<b>Balance at 30 September 2021</b>	<b>(1,858)</b>	<b>(1,361)</b>	<b>(3,219)</b>
<b>Net Book Value</b>			
As at 30 September 2020	66	914	980
<b>As at 30 September 2021</b>	<b>28</b>	<b>457</b>	<b>485</b>

**9. Property, Plant and Equipment** *(continued)*
**(b) Leases liabilities**

	2021 \$000	2020 \$000
<b>Maturity Analysis – contractual undiscounted cashflows</b>		
Less than one year	522	508
One to five years	-	534
More than five years	-	-
<b>Total Undiscounted Lease Liabilities at 30 September</b>	<b>522</b>	<b>1,042</b>
<b>Lease liabilities included in the statement of financial position at 30 September</b>		
Current	522	543
Non-current	-	452
	<b>522</b>	<b>995</b>

The Company leases its office building under a lease agreement on a five-year term with one year remaining. It adopted AASB 16 on its effective date of 1 January 2019 and recognised this lease as a right-of-use asset and a lease liability (see note 20). This resulted in recognising \$1.7m as a right-of-use asset previously treated as an operating lease and accumulated depreciation for the period from 1 January 2019 of \$0.3m. At 30 September 2021, the net carrying amount of right-of-use assets was \$0.5m (2020: \$1.0m).

**Lease payments not recognised as a liability**

The Group has elected not to recognise a lease liability for short term leases (leases of expected term of 12 months or less) or leases of low value assets. Payments made under such leases are expensed on a straight-line basis.

The expenses relating to payments not included in the measurement of lease liability is as follows:

	2021 \$000	2020 \$000
Short term leases	-	-
Leases of low value assets	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**10. Intangible assets**

Consolidated	Goodwill \$000	Software \$000	Purchased mastheads \$000	Other acquired assets \$000	Total \$000
<b>Gross carrying amount</b>					
<b>Balance at 1 October 2019</b>	<b>13,567</b>	<b>4,388</b>	<b>10,718</b>	<b>1,275</b>	<b>29,948</b>
Additions	-	533	-	-	533
Currency movements	(146)	(13)	61	-	(98)
<b>Balance at 30 September 2020</b>	<b>13,421</b>	<b>4,908</b>	<b>10,779</b>	<b>1,275</b>	<b>30,383</b>
Additions	-	507	-	-	507
Currency movements	1,037	77	143	(1,113)	143
<b>Balance at 30 September 2021</b>	<b>14,458</b>	<b>5,492</b>	<b>10,922</b>	<b>162</b>	<b>31,033</b>
<b>Accumulated Amortisation</b>					
<b>Balance at 1 October 2019</b>	<b>(13,567)</b>	<b>(3,412)</b>	<b>(2,867)</b>	<b>(1,275)</b>	<b>(21,121)</b>
Amortisation expense	-	(926)	-	-	(926)
Currency movements	146	32	(114)	-	64
<b>Balance at 30 September 2020</b>	<b>(13,421)</b>	<b>(4,306)</b>	<b>(2,981)</b>	<b>(1,275)</b>	<b>(21,983)</b>
Amortisation expense	-	(614)	-	-	(614)
Currency movements	(1,037)	(74)	75	1,113	77
Disposal	-	-	-	-	-
<b>Balance at 30 September 2021</b>	<b>(14,458)</b>	<b>(4,994)</b>	<b>(2,906)</b>	<b>(162)</b>	<b>(22,520)</b>
<b>Net Book Value</b>					
As at 30 September 2020	-	602	7,798	-	8,400
As at 30 September 2021	-	498	8,016	-	8,514

The Group has allocated goodwill, software, purchased mastheads and other acquired assets to the Publishing cash generating units ("CGU").

**10. Intangible assets (continued)****a) Determination of recoverable amounts**

The recoverable amount of the CGUs, which are classified within Level 3 of the fair value hierarchy, is determined based on value in use using discounted cash flow projections based on financial forecasts covering a five-year period with a terminal growth rate applied thereafter. The Group determined that each of the components of Publishing (Print, Online and Events) to be a CGU. The Group performed its annual impairment test in September 2021.

The cash flow projections which are used in determining any impairment require management to make significant estimates and judgements (key assumptions in preparing projections are set out below). Each of the assumptions is subject to significant judgement about future economic conditions and the ongoing structure of the publishing and digital industries. Management has applied their best estimates to each of these variables but cannot warrant their outcome. Management has determined that there is no impairment as at 30 September 2021. In determining that no impairment was required at 30 September 2021, Management also took into consideration that the market capitalisation of the Group was above the book value of its equity.

**b) Impairment losses recognized**

As a result of the analysis performed, there is headroom in the Group's CGU (the recoverable value exceeded the carrying amount) and management did not identify an impairment charge (2020: nil).

**c) Key assumptions**

The key assumptions on which management has based its cash flow projections when determining the fair value less cost of disposal calculations are set out below. These assumptions are consistent with industry market participant expectations.

**Cash flow forecasts were used based on the EBITDA for the CGU for the Group's latest five-year business plan approved by the board on the following basis:**

- Year 1 cash flows - Based on current forecast in line with Board approved budgets.

**Year 2-5 cash flows:**

- Average EBITDA growth of 64% as a result of the following underlying assumptions:
- Revenue growth of 8% is assumed for media related activity on market maturity of established products, continued roll-out, introduction of new products and services, product extensions and continued channel development.
- Revenue growth of 15% in subscriptions – these assumptions are in line with current performance, industry trends and management's expectation of market development.
- Revenue resumption in live events which are currently suspended due to ongoing Covid-19 impact with limited events and smaller size of the events for 12 months followed by growth of +30% in live events – these assumptions are in line with past performance, and management's expectation of market development.
- Investment expense for new initiatives on new products and services.
- Expenses expected to grow in line with business expansion.
- Terminal perpetuity growth rate of 2% (30 September 2020: 2%) based on accepted principles of a mature business operating in a stable environment for the foreseeable future.
- The pre-tax discount rate applied to the cash flow projections was 15% (2020: 16%) which reflects management's best estimate of the time value of money, changes in market risk free rates, the risks specific to media and events market not already reflected in the cash flows and the capital structure of the Group with zero debt.

## 10. Intangible assets *(continued)*

### d) Sensitivity

The calculations are sensitive to changes in key assumptions as set out below:

The recoverable amount of the CGU would equal the carrying amount if the key assumptions were to change as follows:

- Discount rate – increase from 15% to 29%,
- Terminal growth rate – decrease from 2% to -32%
- Year 1 to 5 cash flow forecasts – reduction of 65% EBITDA year on year.

The Mastheads support the brand acquired which has been publishing for a significant period of time (circa 100 years) and although content is distributed both in print and digital format, both content is driven off the mastheads which have not changed and the same brand content is marketed. There is no reason that these mastheads are not used indefinitely given the brand recognition and market position.

## 11. Trade and other payables

	2021 \$000	2020 \$000
<b>Current – unsecured</b>		
Trade payables	2,351	1,896
Sundry creditors and accrued expenses	2,128	1,571
Annual leave and long service leave provision	619	614
	<b>5,098</b>	<b>4,081</b>

Trade and other payables are carried at amortised cost. Liabilities are brought to account for amounts payable in relation to goods received and services rendered, whether or not billed to the Group at reporting date. The Group operates in a number of diverse markets, and accordingly the terms of trade vary by business. Terms of trade in relation to trade payables are, on average, 30 to 60 days from the date of invoice.

Information about the Groups' exposure to risk is provided in note 17.

Due to the short-term nature of these payables, their carrying value is assumed to approximate their fair value.

## 12. Income in advance

	2021 \$000	2020 \$000
<b>Current</b>		
Opening balance	5,457	4,702
Net movement during the year	(17)	755
	<b>5,440</b>	<b>5,457</b>

Current income in advance relates to subscription, advertising and event revenue received prior to services rendered.



### 13. Issued capital

	2021 #	2020 #	2021 \$000	2020 \$000
Fully paid ordinary shares	2,420,584,250	2,277,314,738	11,178	8,540
<b>Ordinary shares</b>				
At the beginning of the reporting period	2,277,314,738	2,116,392,421	8,540	7,441
<b>Shares issued during the year:</b>				
Rights issue	-	151,674,974	-	1,062
Share issue costs	-	-	(691)	(58)
Employee share issue	43,269,512	8,307,211	329	89
Other	100,000,000	940,132	3,000	8
	-	-	-	-
<b>At Reporting date</b>	<b>2,420,584,250</b>	<b>2,277,314,738</b>	<b>11,178</b>	<b>8,540</b>

Ordinary shares participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held. At shareholders' meetings, each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

Issued capital at 30 September 2021 amounted to \$11.2m (2,420,584,250 ordinary shares).

#### (a) Options

The establishment of the Executive Option Plan was approved by the directors in April 2000. The Executive Option Plan is designed to retain and attract skilled and experienced board members and executives and provide them with the motivation to make the Group successful. Participation in the plan is at the Board's discretion.

The exercise price of options issued will be not less than the greater of the minimum value set by the ASX Listing Rules and the weighted average closing sale price of the Company's shares on the ASX over the five days immediately preceding the day of the grant, plus a premium determined by the directors.

When shares are issued pursuant to the exercise of options, the shares will rank equally with all other ordinary shares of the Company.

20,000,000 Options were issued during the year and a total expense of 222,648 (2020: nil) was recognised in share-based payments.

The options were valued internally by Aspermont using a Black-Sholes Model.

The Key inputs for this model were as follows:

Variable	Input
Start Date	09-Sep-21
Maturity Date	30-Sep-25
Days Remaining	1481 days
Risk Free Rate	0.06%
Stock Volatility	74.11%
Current Price	0.0230
Exercise Price	0.0300

The table below summaries options in issue for the Consolidated and parent entity:

	Balance at the start of the year Number	Granted during the year Number	Exercised during the year Number	Lapsed during the year Number	Balance at end of the year Number	Vested and exercisable at end of the year Number	Weighted Average Exercise Price
<b>2021</b>	313,577,323	20,000,000	-	-	333,577,323	333,577,323	3c
<b>2020</b>	333,577,323	-	-	20,000,000	313,577,323	313,577,323	3c

### 13. Issued capital (continued)

Of the above options 10,000,000 expire 12 December 2022 and 323,577,323 expire 30 September 2025.

The weighted average share price during the financial year was 2.15 cents (2019: 0.9 cent).

The weighted average remaining contractual life of options outstanding at the end of the financial year was 3.92 years (2020: 4.62 years).

#### (b) Employee performance rights

Under the executive long-term incentive plan, Performance Rights ("Rights") have been granted to executives and other senior management who will have an impact on the Group's performance. On satisfaction of any vesting conditions, each Right will convert to a share on a one-for-one basis. Details of the plan are included in the Remuneration Report on pages 28 to 38.

The total expense recognised for share-based payments during the financial year for the Group was \$573,137 (2020: \$664,323). In addition to the normal issue of performance rights, there was an issue of options.

	2021 Number	2020 Number
<b>Outstanding at 1 October</b>	134,372,970	89,500,000
Granted during the year	45,255,510	45,622,970
Forfeited during the year	-	-
Exercised	11,694,216	-
Lapsed during the year	1,350,000	750,000
<b>Outstanding at 30 September</b>	<b>166,584,264</b>	<b>134,372,970</b>

Valuation details for the rights granted in the year is included in remuneration report on page 37 of this report.

#### Share based reserve

The share-based payments reserve is used to recognise the grant date fair value of options issued to employees but not yet exercised.

#### Currency translation reserve

Exchange differences arising on translation of the foreign controlled entity are taken to the currency translation reserve, as described in note 2. The reserve is recognised in profit or loss when the net investment is disposed of.

#### (c) Capital risk management

The Group's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors capital on the basis of regularly reviewing working capital requirements and projected cashflow needs of the business. Further information regarding the liquidity and capital risk maintained by the Group is disclosed in Note 17 (c).

**13. Issued capital (continued)**

The gearing ratios at 30 September 2021 and 30 September 2020 were as follows:

	2021 \$000	2020 \$000
Total Borrowings	35	35
Less: cash and cash equivalents	(7,028)	(3,182)
Net debt	(6,993)	(3,147)
Total equity	6,526	3,253
Total capital	(467)	106
<b>Gearing ratio</b>	(1,497%)	(2,969%)

**14. Particulars in relation to controlled entities**

Name of Entity	Place of Incorp.	Class of share	Economic Interest 2021 %	Economic Entity 2020 %
<b>Parent entity:</b>				
Aspermont Limited	NSW			
<b>Controlled Entities:</b>				
Resourceful Events Pty Ltd	NSW	Ord	100	100
Corporate Intelligence & Communications Pty Ltd	WA	Ord	100	100
Kondinin Information services Pty Ltd	WA	Ord	100	100
Aspermont Media Limited	UK	Ord	100	100
Aspermont (Hong Kong) Ltd	HKG	Ord	100	100
Aspermont Brazil Ltd	Brazil	Ord	100	100
E-Farming	NSW	Ord	100	100
Aspermont Global Pte. Ltd.	Singapore	Ord	70	-

**15. Cash flow information**

	2021 \$000	2020 \$000
(a) Reconciliation of cash and cash equivalents		
Cash at the financial year as shown in the statement of Cash Flows is reconciled to items in Statement of financial Position as follows:		
Cash at bank and on deposit	7,028	3,182
	7,028	3,182
(b) Reconciliation of operating profit/ (loss) after tax to net cash from operating activities		
Loss after income tax	172	(970)
<b>Non-cash flows in profit/ (loss)</b>		
Depreciation and amortisation	1,119	1,437
Impairment of loan receivable	-	-
Profit on sale of subsidiary	-	-
Finance cost	(35)	-
Rental expense	193	-
Non-cash income tax expense	(57)	96
Share based payments	573	664
Non-cash items	-	-
<b>Change in assets and liabilities:</b>		
(Increase)/Decrease in receivables	(74)	36
(Increase)/Decrease in right of use assets	457	-
Increase/(Decrease) in creditors and accruals	1,010	456
(Increase)/Decrease in investments	(344)	-
Increase/(Decrease) in unearned revenue	(17)	755
(Decrease) in provisions	89	-
Decrease in doubtful debts	18	7
(Decrease)/Increase in finance lease	(473)	-
Decrease in income taxes payable	-	-
Increase in deferred taxes payable	-	-
<b>Net cash used in operating activities</b>	<b>2,631</b>	<b>2,481</b>

**16. Key management personnel and related party disclosures**
**(a) Key management personnel compensation**

	2021 \$000	2020 \$000
Short-term employee benefits	2,154	1,924
Post-employment benefits	82	80
Share based payments	354	353
	2,591	2,357

Detailed remuneration disclosures are provided in the audited remuneration report on pages 28 to 38 of the Directors' Report.

**(b) Liabilities and loans from director related entities**

	2021 \$000	2020 \$000
<i>Unsecured loans</i>		
Beginning of year	(16)	(46)
Loan advances	717	811
Loan repayments	(744)	(781)
<b>End of year</b>	<b>(43)</b>	<b>(16)</b>

Detailed loan movements are disclosed in the audited remuneration report on pages 28 to 31 of the Directors' Report.

**(c) Other transactions with key management personnel and director related entities**

Transactions between key management personnel are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. The Group leases its principal office facility from Ileveter Pty Ltd, a company associated with a director, Mr A.L Kent. The rent paid was at market rates at the time of lease inception. The lease agreement has a term of five years expiring 30 October 2022.

	2021 \$000	2020 \$000
Rental expense for principal offices	489	488

At 30 September 2021 the Company owed \$25,000 (2020: \$23,750) in unpaid Director Fees to current Directors of the Company.



## 17. Financial risk management

In the normal course of its operations, the consolidated entity is exposed to a variety of financial risks, including market risk, credit risk and liquidity risk.

The consolidated entity's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the business. The consolidated entity does not use derivative financial instruments such as foreign exchange contracts to hedge certain risk exposures. The consolidated entity uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks and ageing analysis for credit risk.

Risk management is carried out by the management team within the parameters thought prudent by the Audit & Risk Committee of the Board.

### (a) Market risk

#### (i) Foreign exchange risk

The consolidated entity operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the United Kingdom pound and US dollar and to a lesser extent the Euro.

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities that are denominated in a currency that is not the consolidated entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting. Management has instituted a policy requiring group companies to manage their foreign exchange risk against their functional currency. The group companies are required to bring significant foreign currency transactions to the attention of the central finance function for evaluation, if they occur.

A 10% strengthening/weakening of the Australian dollar against the following currencies at 30 September 2021 and 30 September 2020 would have increased/(decreased) profit or loss by the amounts shown in the following table. The analysis assumes that all other variable, in particular interest rate remains constant.

	2021 \$000	2020 \$000
GBP	62	10
Total	62	10

**17. Financial risk management** *(continued)*
**(a) Market risk**

The consolidated entity has revenues and resulting trade and other receivables in non-functional currencies as follows:

	USD	EUR	USD	EUR
	2021		2020	
	\$000	\$000	\$000	\$000
<b>Financial assets</b>				
Trade and other receivables	442	62	194	61
Non-current receivables			-	-
Total	442	62	194	61

Based on the financial instruments held by the consolidated entity as at the reporting date, the sensitivity of the consolidated entity's profit/(loss) after tax for the year and equity at the reporting date to movements in the Australian dollar to US dollar and Australian dollar to Euro exchange rates was:

- Had the Australian dollar weakened/strengthened by 5% against the US dollar with all other variables remaining constant, the consolidated entity's profit after tax would have been \$22,100 lower/higher (2020: \$9,700 lower/higher).
- Had the Australian dollar weakened/strengthened by 5% against the Euro with all other variables remaining constant, the consolidated entity's profit after tax would have been \$3,100 lower/higher (2020: \$3,050 lower/higher).

**(b) Credit risk**

Credit risk is the risk that counterparty will not complete its obligations under a financial instrument resulting in a financial loss for the consolidated entity. Credit risk is managed co-operatively by the finance function and operations for customers, including receivables and committed transactions and at the consolidated entity level for credit risk arising from cash and cash equivalents, deposits with banks and financial institutions.

The consolidated entity does not generally obtain collateral or other security to support financial instruments subject to credit risk. As the profile of the revenue comprises a very large number of small customers, the Group accepts some amount of credit risk but has historically experienced no significant loss.

All cash balances are on deposit with banks that have S&P Long Term credit ratings of A in the UK and AA in Australia.

The consolidated entity's total capital is defined as the shareholders' net equity plus net borrowings, which amounted to \$6.5m at 30 September 2021 (2020: \$3.2m). The objectives when managing the economic entity's capital is to safeguard the business as a going concern, to maximise returns to shareholders and to maintain an optimal capital structure in order to reduce the cost of capital.

**17. Financial risk management** *(continued)*
**(c) Liquidity and capital risk**

The consolidated entity does not have a target debt/equity ratio but has a policy of maintaining a flexible financing structure so as to be able to take advantage of investment opportunities when they arise.

The consolidated entity's liquidity position is managed to ensure sufficient liquid funds are available to meet its financial obligations in a timely manner. The consolidated entity manages liquidity risk by continuously monitoring forecast and actual cash flows and ensuring that the consolidated entity has the ability to access required funding. The consolidated entity has historically maintained backup liquidity for its operations and currently maturing debts through its financial asset portfolio.

The following tables analyse the consolidated entity's financial liabilities into maturity groupings based on the remaining period from the reporting date to the contractual maturity date. As amounts disclosed in the table are the contractual undiscounted cash flows including future interest payments, these balances will not necessarily agree with the amounts disclosed on the statement of financial position.

Consolidated entity as at 30 September 2021:

	Less than 6 months	6-12 months	Between 1 and 2 years	Between 2 and 5 years	Total contractual Cashflows	Carrying Amount
	\$000	\$000	\$000	\$000	\$000	\$000
<b>Non-derivatives</b>						
Trade and other payables	2,357	-	-	-	2,357	2,357
Borrowings	35	-	-	-	35	35
	<b>2,392</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,392</b>	<b>2,392</b>

Consolidated entity as at 30 September 2020:

	Less than 6 months	6-12 months	Between 1 and 2 years	Between 2 and 5 years	Total contractual Cashflows	Carrying Amount
	\$000	\$000	\$000	\$000	\$000	\$000
<b>Non-derivatives</b>						
Trade and other payables	3,394	-	-	-	3,394	3,394
Borrowings	35	-	-	-	35	35
	<b>3,429</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,429</b>	<b>3,429</b>

**17. Financial risk management** *(continued)*
**(c) Financial assets and liabilities by category**

The financial instruments consist mainly of deposits with banks, accounts receivable and payable, bank loans, related party loans and leases. Investments accounted for using the equity method are excluded from the information provided below:

	Weighted average interest rate	Balance	Weighted average interest rate	Balance
	2021		2020	
		\$000		\$000
<b>Financial assets</b>				
Cash and cash equivalents	0.00%	7,028	0.00%	3,182
Trade and other receivable	-	1,386	-	1,306
<b>Financial Liabilities</b>				
Trade and other payables	-	2,352	-	1,893
Related party borrowings	9.50%	35	9.50%	35

The fair value of cash and cash equivalents, trade and other receivables and trade and other payables is considered to be a reasonable approximation of their fair value due to their short-term nature. The fair value of borrowings as at the reporting date is considered to be a reasonable approximation of their fair value. Refer to note 2 for the method used to fair value the non-current receivable.

## 18. Segment information

The economic entity primarily operates in the media publishing industry as well as in conferencing and investments, within Australia and in the United Kingdom.

Segment Reporting:

	2021 \$000	2020 \$000
<b>Revenue</b>		
Services	7,067	8,048
XaaS	7,492	6,664
Data	1,494	492
<b>Total segment revenue</b>	<b>16,053</b>	<b>15,204</b>
<b>Revenue by Geography</b>		
APAC	8,917	8,396
EMEA	2,412	2,103
Americas	4,063	3,948
Other	661	757
<b>Total revenue</b>	<b>16,053</b>	<b>15,204</b>
<b>Result</b>		
<b>Segment result</b>	<b>5,011</b>	<b>3,291</b>
<i>Unallocated items:</i>		
Corporate overheads and provisions	(3,413)	(3,200)
Depreciation	(348)	(511)
Amortisation	(771)	(926)
Impairment of receivable	-	-
Other income	323	1,218
Share based payments	(573)	(664)
Finance costs	(114)	(82)
<b>Profit for year before income tax</b>	<b>115</b>	<b>(874)</b>
<b>Segment assets</b>	<b>10,801</b>	<b>10,758</b>
<i>Unallocated assets:</i>		
Cash	7,027	3,181
Deferred tax asset	1,481	1,423
Other assets	-	-
<b>Total assets</b>	<b>19,309</b>	<b>15,362</b>
<b>Liabilities</b>	<b>11,267</b>	<b>10,651</b>
<i>Unallocated liabilities:</i>		
Provision for income tax	-	-
Deferred tax liabilities	1,481	1,423
Borrowings	35	35
<b>Total liabilities</b>	<b>12,783</b>	<b>12,109</b>



**18. Segment information (continued)**

Reconciliation of reportable segment profit or loss:

**Description of segments:**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker has been identified as the Managing Director who makes strategic decisions.

In line with the ongoing development and strategy of the Group's trading business, the reporting segments have in the current reporting period has been amended within Publishing to separately show: media services - combination of the advertising and events, XaaS – media subscriptions and related services and data – mainly lead generation activity.

The segments derive revenue from the following products and services:

The Publishing segment derives subscription, advertising and sponsorship revenues from print and online publications as well as from running events and holding conferences in various locations across a number of trade sectors including the mining, agriculture, energy and technology sector. It also derives revenue from B2B lead generation activity it undertakes on behalf of clients utilising its contacts database.

As a result, prior year segment results which had events separately broken out now gets reported within media services and data revenue are now separately reported broken out from media services.

**Segment revenue and expenses:**

Segment revenue and expenses are accounted for separately and are directly attributable to the segments.

**19. Earnings/ (loss) per share (EPS)**

	2021 \$000	2020 \$000
(a) Basic loss per share (cents per share)	0.005	(0.05)
(b) Diluted loss per share (cents per share)	0.005	(0.05)
(c) Loss used in calculating earnings per share		
Loss attributable to the ordinary equity holders of the company used in calculating basic and diluted loss per share	115	(970)
(d) Weighted average number of shares used as the denominator		
Weighted average number of ordinary shares outstanding during the year used in calculating basic earnings per share	2,360,396,411	2,154,106,242
Options	333,577,323	313,577,323
Weighted average number of ordinary shares outstanding during the year used in calculating diluted earnings per share	2,360,396,411	2,154,106,242

## 20. Lease commitments

### (a) Operating lease

	2021 \$000	2020 \$000
<b>Operating lease commitments</b>		
Non-cancellable operating leases contracted for but not capitalised in the financial statements:		
Not later than 12 months	-	-
Between 12 months and 5 years	-	-
	-	-
<b>AASB 16 Adjustments</b>		
Non-cancellable operating leases contracted for capitalised in the financial statements:		
Not later than 12 months	522	508
Between 12 months and 5 years	-	534
	<b>522</b>	<b>1,042</b>

### (b) Finance Lease

The Group leases an office building for its office space. The Group has reclassified the lease as a finance lease. The lease typically has a term of five years and adjusted for annual change in lease payment of up to 5% based on changes in price indices.

## 21. Events subsequent to the year end

There were no events subsequent to the end of the year end that require disclosure.

## 22. Contingent Liabilities

The Group is not aware of any other contingent liabilities and unrecorded commitments at the date of this report that would significantly affect the operations of the Group.



# DIRECTOR'S DECLARATION

## In the directors' opinion:

1. the financial statements and notes set out on pages 44 to 77 are in accordance with the Corporations Act 2001, including:

- a) complying with Australian Accounting Standards, the Corporations Regulation 2001 and other mandatory professional reporting requirements; and
- b) giving a true and fair view of the consolidated entity's financial position as at 30 September 2021 and of its performance for the financial year ended on that date; and

2. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and

*Note 2 - confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.*

The directors have been given the declarations by the chief executive officer and chief financial officer required by section 295A of the Corporations Act 2001.

*This declaration is made in accordance with a resolution of the Directors.*

A. Kent  
Director

Perth  
16 December 2021

# INDEPENDENT AUDITOR'S REPORT

## ELDERTON

### AUDIT PTY LTD

### Independent Auditor's Report to the members of Aspermont Limited

#### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of Aspermont Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 September 2021, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the Group's financial position as at 30 September 2021 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

#### Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described as in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of 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* (the code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Key Audit Matters

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. We have determined the matters described below to be key audit matters to be communicated in our report.

#### Intangible Assets

Refer to Note 10, Intangible Assets (\$8,514,000) and accounting policy Notes 2(h).

Key Audit Matter	How our audit addressed the matter
The Group has a significant amount of Intangible assets.	Our audit work included, but was not restricted to, the following: <ul style="list-style-type: none"> <li>Assessing the valuation methodology adopted by management which is disclosed in Note 10 to the consolidated financial statements;</li> <li>Assessing the assumptions and methodologies used by the Group in the preparation of the discounted cash flow models;</li> <li>Challenging the key assumptions utilized in the discounted cash flow model including the revenue and expense growth rates, the terminal growth rate and discount rate by comparing them to historical results, economic and other forecasts;</li> </ul>
Australian Accounting Standard (AASB) 136 Impairment of Assets, requires an annual impairment test for intangible assets with indefinite useful lives.	
The impairment assessment involves significant judgements and estimation from management.	

Due to these facts, the assessment of carrying

Limited liability by a scheme approved under Professional Standards Legislation

T +61 8 6324 2900  
ABN 51 609 542 458

E info@eldertongroup.com  
W www.eldertongroup.com

A Level 2, 267 St Georges Terrace, Perth WA 6000

**Independent auditor's report (continued)**

value of the intangible assets is considered to be a key audit matter.

- Recalculating the mathematical accuracy of the discounted cash flow model, agreeing budgeted cash flows to the latest budget and assessing the performance against budget/forecasts in prior periods;
- Performed sensitivity analysis around the key assumptions including the revenue and expense growth rates and discount rate applied; and
- Evaluating the adequacy of the related disclosures.

**Revenue Recognition**

Refer to Note 4 and accounting policy Notes 2(i).

**Key Audit Matter**

The entity has recognized revenue of AUD16,053,000.

The application of revenue recognition accounting standards is complex and involves a number of key judgements and estimates.

There is also a risk around the timing of revenue recognition, particularly focused on the contractual terms of delivery and location of the customers.

Based on these factors, we have identified revenue recognition as a key risk for our audit

**How our audit addressed the matter**

Our audit work included, but was not restricted to, the following:

- considering the appropriateness of the revenue recognition accounting policies.
- understanding the significant revenue processes including performance of an end to end walkthrough of the revenue assurance process and identifying the relevant controls.
- testing the design and operating effectiveness of the relevant controls
- performing cut off procedures by selecting a sample of transactions close to the year-end and testing whether revenue related to next financial year has been reported as income in advance.
- assessing the transfer of control to the customer by reviewing contracts and other supporting documentation.
- verifying a sample of transactions with supporting documents
- ensuring adequate disclosure in the financial statements.

**Other Information**

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 September 2021, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, 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.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of Directors for the Financial Report**

The directors of the Group are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

**Independent auditor's report (continued)**

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

**Auditor's Responsibilities for the Audit of the Financial Report**

Our objectives are 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 and 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.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Report on the Remuneration Report**
**Opinion on the Remuneration Report**

We have audited the Remuneration Report included on page 28 to page 38 of the directors' report for the year ended 30 September 2021.

In our opinion, the Remuneration Report of the Group, for the year ended 30 September 2021, complies with section 300A of the *Corporations Act 2001*.





**Independent auditor's report** *(continued)*

**Responsibilities**

The directors of the Group are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

**Elderton Audit Pty Ltd**

**Nicholas Hollens**  
Managing Director

Perth  
16 December 2021

# ADDITIONAL INFORMATION FOR LISTED PUBLIC COMPANIES

The following additional information is required by the Australian Securities Exchange Limited in respect of listed companies:

## a) Shareholding

### Ordinary share capital

2,420,584,250 (2020: 2,277,314,738) shares are held by 441 (2020: 323) individual holders. All issued ordinary shares carry one vote per share.

Distribution of Shareholders Number Category (size of holding)	Ordinary shares	
	2021	2020
1 – 1,000	25	14
1,001 – 5,000	5	4
5,001 – 10,000	14	10
10,001 – 100,000	121	53
100,001 – and over	276	242
	<b>441</b>	<b>323</b>

The number of shareholdings held with less than marketable parcel is 66 (2020:62).

## b) Share options (Unquoted)

Number of Options	Number of Holders	Exercise Price	Date of Expiry
10,000,000	1	3c	12 December 2022
323,577,323	9	3c	30 September 2025

## c) Unlisted performance rights

Number of Rights	Number of Holders
166,584,264	15

## d) Stock exchange listing

Quotation has been granted for all of the ordinary shares of the Company on all Member Exchanges of the Australian Securities Exchange Limited under the symbol ASP. The Company is also quoted on the German Frankfurt Stock Exchange under the symbol 00w as well as the Tradegate Exchange under the symbol 00W.

**e) Substantial shareholders**

	Name	Number of Ordinary fully paid shares held	% Held of Issued Ordinary Capital
1	Mr. Andrew Kent and beneficial interests	589,352,951	24.35%
2	Mr. John Stark and beneficial interests	407,470,603	16.83%
3	A Kent and beneficial interests	271,357,877	11.21%
4	T Klinger and beneficial interests	140,537,973	5.81%

**f) 20 Largest Shareholders – Ordinary shares**

Position	Holder Name	Holding	% IC
1	Drysdale Investments Limited	329,996,116	13.63%
2	BNP Paribas Nominees Pty Ltd ACF Clearstream	300,301,524	12.41%
3	White Rabbit Ventures	270,681,877	11.18%
4	Allandale Holdings Pty Ltd	240,698,661	9.94%
5	Annis Trading Limited <Hong Kong A/C>	171,183,375	7.07%
6	HSBC Custody Nominees (Australia) Limited	136,531,625	5.64%
7	Allan Dale Real Estate Pty Ltd <Super Fund A/C>	108,048,870	4.46%
8	Blue Sea Investment Holdings Pty Ltd <Ajax Super Fund A/C>	87,276,787	3.61%
9	Ginga Pty Ltd <TG Klinger S/F A/C>	67,919,452	2.81%
10	Mr John Stark & Mrs Julie Stark <Allan Dale R/Estate S/F A/C>	54,357,000	2.25%
11	Ginga Pty Ltd	43,904,906	1.81%
12	Citicorp Nominees Pty Limited	30,736,376	1.27%
13	Ribo Trust	28,000,000	1.16%
14	Mr Nishil Khimasia	23,096,773	0.95%
15	B F A Pty Ltd	22,614,545	0.93%
16	J & J Wallace (Nominees) Pty Ltd <Wallace Ventures Invest A/C>	17,285,715	0.71%
17	Glacier Media Inc	17,274,634	0.71%
18	Blackcourt (Nsw) Pty Limited <Lawsam Super Fund A/C>	17,000,000	0.70%
19	Thirty Sixth Vilmar Pty Ltd	15,980,029	0.66%
20	A & C Gal Investments Pty Ltd	13,400,000	0.55%

# CORPORATE DIRECTORY

## Directors

**Andrew Leslie Kent** - Chairman and Non-Executive Director

**John Stark** (Alternate Director to Andrew Kent)

**Alex Kent** - Managing Director

**Geoffrey Donohue** - Lead Independent Director

**Tricia Klinger** - Non-Executive Director

## Company Secretary

**Tim Edwards**

## Key Executive Management

**Nishil Khimasia** – Chief Financial Officer, Group

**Ajit Patel** – Chief Operating Officer, Group

**Matt Smith** – Chief Commercial Officer, Group

**Ian Hart** – Chief Content and Strategy Officer, Group

## Registered Office

613-619 Wellington St  
 Perth WA 6000  
 Telephone: (08) 6263 9100  
 Facsimile: (08) 6263 9148

## Postal Address

PO Box 78  
 Leederville WA 6902

## Solicitors

Ian B. Mitchell & Associates  
 19-29 Martin Place  
 Sydney NSW 2000

## Auditors

Elderton Audit Pty Ltd  
 Level 2, 267 St Georges Terrace  
 Perth WA 6000

## Share Registry

Automatic Registry Services  
 Level 2 / 267 St Georges Terrace  
 Perth WA 6000

## Bankers

National Australia Bank Group  
 197 St Georges Terrace  
 Perth WA 6000

## Stock Exchange Information

ASX Code: ASP  
 FRA Code: OOW

## Website

[www.aspermont.com](http://www.aspermont.com)





**Aspermont**

*Information for Industry*

