

# Infomedia Ltd and controlled entities

## Appendix 4D

### Interim report for the half-year ended 31 December 2021

#### Results for announcement to the market

(All comparisons to half-year ended 30 December 2020)

	31 December 2021	Up / (Down)	Movement
	\$'000	\$'000	%
Revenue from ordinary activities	58,955	11,266	24%
Reported net profit from ordinary activities after income tax attributable to shareholders	3,500	(5,831)	(62%)
Net profit for the period attributable to shareholders	3,500	(5,831)	(62%)

#### Dividend information

	Amount per share	Franked amount	Franking credit
	cents	per share	
	cents	cents	
2021 Final dividend per share paid during the half-year ended 31 December 2021	2.30	1.61	70%
2022 Interim dividend per share	2.60	1.82	70%

#### Interim dividend dates

Ex-dividend date	3 March 2022
Record date	4 March 2022
Payment date	22 March 2022

The Company's Dividend Reinvestment Plan ('DRP') has been suspended since 31 October 2019.

#### Net tangible assets

	31 December 2021	31 December 2020
	cents	cents
Net tangible assets per ordinary share <sup>(a)</sup>	19.31	25.55

(a) The net tangible assets ('NTA') per ordinary share as at 31 December 2021 is calculated as net assets adjusted for intangible assets including goodwill, right-of-use assets, lease liabilities and net deferred tax liabilities.

#### Other information

The Company did not gain or lose control of any entities during the period and did not maintain any joint venture interests.

**Other information (continued)**

Additional Appendix 4D disclosure requirements (including explanation of the figures reported above) can be found in the Interim Report for the half-year ended 31 December 2021 which contains the directors' report and the 31 December 2021 financial statements and accompanying notes.

This report is based on the consolidated financial statements which have been reviewed by Deloitte Touche Tohmatsu, with an unqualified review report issued.

**Infomedia Ltd**

**ABN 63 003 326 243**

**Interim Report - 31 December 2021**

Directors' report	2
Auditor's independence declaration	5
Condensed consolidated statement of profit or loss and other comprehensive income	6
Condensed consolidated statement of financial position	7
Condensed consolidated statement of changes in equity	8
Condensed consolidated statement of cash flows	9
Notes to the condensed consolidated financial statements	10
Directors' declaration	17
Independent auditor's review report to the members of Infomedia Ltd	18

The directors present their report, together with the financial statements, of the consolidated entity (referred to hereafter as the 'Group' or 'Infomedia') consisting of Infomedia Ltd (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the half-year ended 31 December 2021.

## Directors

The following persons were directors of Infomedia Ltd during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Bart Vogel	Chairman and Independent Non-Executive Director
Jonathan Rubinsztein	Managing Director & Chief Executive Officer (resigned on 29 October 2021)
Jim Hassell	Independent Non-Executive Director and Interim Managing Director & Chief Executive Officer (Interim Managing Director & Chief Executive Officer from 18 October 2021)
Kim Anderson	Independent Non-Executive Director
Anne O'Driscoll	Independent Non-Executive Director

## Principal activities

Infomedia Ltd (ASX: IFM) is an Australian-based SaaS platform provider in parts, service, e-commerce and data analytics solutions to the global automotive industry. Infomedia has led innovation in aftersales technology within global automotive distribution networks for more than 25 years and continues to expand its reach within the three regions in which it operates.

The company's platforms support customers to meet their key objectives to sell more branded parts and retain customer loyalty to their brands through competitive pricing and elevated customer service.

The company is headquartered in Sydney, NSW (Australia) with regional offices in Melbourne, VIC (Australia), Cambridge (United Kingdom), Cologne (Germany), Atlanta, GA (USA) and Plymouth, MI (USA) serving the aftersales segment of global automakers and their aligned distributors.

There were no significant changes in these activities during the first half of the 2021/2022 financial year (FY22).

## Dividends

Dividends paid during the financial half-year were as follows:

	31 Dec 2021 \$'000	Consolidated 31 Dec 2020 \$'000
Final dividend for the year ended 30 June 2021 (30 June 2020)	<u>8,643</u>	<u>8,051</u>

On 25 February 2022, the directors declared a 70% franked interim dividend of 2.60 cents per share to be paid on 22 March 2022. As this occurred after the reporting date, the dividends declared have not been recognised in this financial report.

## Financial and Operating Review

Infomedia delivered a strong financial result for the six months ended 31 December 2021 (1H22) driven by sales growth in core products and good contribution from our latest acquisition, SimplePart, which is included for the full six months.

Revenue in 1H22 was \$59.0 million, up 24% on the previous corresponding period (pcp) with underlying cash EBITDA<sup>1</sup> up 45% pcp to \$13.3 million.

Revenue growth for the Group, excluding SimplePart, was up 7% pcp, with underlying cash EBITDA excluding SimplePart, up 25% pcp.

<sup>1</sup> Infomedia uses certain non-IFRS measures that are useful in understanding the company's operating performance. These are consistent with the internal measures disclosed in Infomedia's Operating Segment Note (note 3 to the interim financial report) and are directly reconciled to the company's statutory reported IFRS financial information within note 3.

## **Financial and Operating Review (continued)**

Focus on optimising efficiencies during the period following significant investment in prior periods led to faster growth in revenue than expenditure delivering strong underlying cash EBITDA performance.

Reported NPAT was \$3.5 million, down 62% pcp driven by significant increases in the amortisation of development expenses from prior periods, amortisation of acquired intangibles and the expensing of earnouts in relation to the Nidasu and SimplePart acquisitions.

EPS was 0.93 cents, down from 2.49 cents pcp.

Employment market conditions remained competitive during the first half putting some additional pressure on staff costs. With a combination of good practices to provide an attractive working environment and continuing to improve our efficiency we are still targeting to grow underlying cash EBITDA equal to or faster than revenue. Enhanced reporting is providing better visibility of resource allocation and will support continued operational efficiency gains.

The Group has no debt.

## **Product Streams**

InfoDrive revenue grew 20% pcp to \$9.7million. Demand for VIN-specific data analytics solutions and customer insights increased as automakers and dealers turned to software and predictive solutions to improve customer experiences in the dealership and online.

SimplePart revenue was \$7.5 million, up from \$1.2 million reported in 2H21 following the completion of the acquisition on 31 May 2021. Several SimplePart opportunities are in the pipeline to extend the aftersales e-commerce platform to existing IFM customers in the Americas, APAC and EMEA.

Superservice revenues grew 5% pcp to \$12.7 million, with some installation delays due to lockdowns and travel restrictions. Microcat revenue grew 3% pcp, from contract renewals and price increases in some areas.

The global automotive industry continued to recover in the latter half of 2021 despite ongoing global health and workforce challenges and chip shortages impacting production and supply chain demands. Automakers continue to evolve, producing new data and software-driven, smarter, safer models and pursuing connectivity with technology to bring them closer to their customers, and this evolution continues to provide new opportunities for Infomedia.

## **Regional Results**

Infomedia's APAC region reported strong revenue growth of 15% pcp to \$18.0 million following several InfoDrive, Superservice Menus and Triage contract wins in the region. APAC revenue increased 5% sequentially on the previous six months ending 30 June 2021.

The EMEA region contributed a 6% increase in revenue pcp to \$19.4 million and a 3% increase on the sequential six months ending 30 June 2021.

The Americas region reported revenue of \$21.5 million, a 57% increase pcp reflecting the addition of SimplePart. Excluding SimplePart, revenue was stable in local currency.

## **Outlook**

The Board remains confident that Infomedia is in a very strong strategic position as a trusted provider of automotive aftersales software, data services and e-commerce solutions to automakers, dealers, and suppliers globally.

Infomedia's partnerships with its global customers together with the ability to provide solutions for both current and evolving needs provide a strong platform for continued growth. This growth will be underpinned by continued investment in our platform and strategic acquisitions.

Infomedia is on track to deliver FY22 revenue guidance in the tightened range of \$119 million to \$123 million in FY22<sup>2</sup>.

<sup>2</sup> FY22 outlook assumes no adverse movements in foreign exchange rates and no further negative consequences from COVID 19.

### Significant changes in the state of affairs

There were no significant changes in the state of affairs of the Group during the financial half-year.

### Matters subsequent to the end of the financial half-year

On 25 February 2022, the Board declared a 70% franked interim dividend of 2.60 cents per share.

No other matter or circumstance has arisen since 31 December 2021 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

### Rounding of amounts

The Company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities & Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

### 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 immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the directors



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Bart Vogel  
Chairman

25 February 2022

25 February 2022

The Board of Directors  
Infomedia Limited  
3 Minna Close,  
Belrose  
Sydney NSW 2085

Dear Board Members

## **Auditor's Independence Declaration to Infomedia Limited**

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Infomedia Limited.

As lead audit partner for the review of the financial report of Infomedia Limited for the half-year ended 31 December 2021, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

Yours faithfully

*Deloitte Touche Tohmatsu*

DELOITTE TOUCHE TOHMATSU

*Pooja Patel*

Pooja Patel  
Partner  
Chartered Accountants



	Note	31 Dec 2021 \$'000	Consolidated 31 Dec 2020 \$'000
<b>Revenue</b>	4	58,955	47,689
Other income		149	783
<b>Expenses</b>			
Employee benefits expenses	4	(27,206)	(13,715)
IT operating expenses		(5,078)	(3,851)
Integration, installation and training expenses		(2,863)	(2,982)
Royalty expenses		(2,366)	(2,523)
Facilities expenses		(340)	(644)
Compliance and insurance expenses		(822)	(774)
Marketing and other expenses		(690)	(835)
Depreciation and amortisation expenses		(15,710)	(10,059)
Net finance expenses		(70)	(52)
Net foreign currency translation gains/(losses)		136	(776)
		<u>(55,009)</u>	<u>(36,211)</u>
<b>Profit before income tax expense</b>		4,095	12,261
Income tax expense		<u>(595)</u>	<u>(2,930)</u>
<b>Profit after income tax expense for the half-year attributable to the owners of Infomedia Ltd</b>		3,500	9,331
<b>Other comprehensive income/(loss)</b>			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		<u>1,003</u>	<u>(995)</u>
Other comprehensive income/(loss) for the half-year, net of tax		<u>1,003</u>	<u>(995)</u>
<b>Total comprehensive income for the half-year attributable to the owners of Infomedia Ltd</b>		<u>4,503</u>	<u>8,336</u>
		<b>Cents</b>	<b>Cents</b>
Basic earnings per share		0.93	2.49
Diluted earnings per share		0.93	2.49

The above condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

	Note	31 Dec 2021 \$'000	Consolidated 30 Jun 2021 \$'000
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents		66,151	66,795
Trade and other receivables		11,919	11,658
Contract assets		440	197
Income tax receivable		2,416	2,188
Prepayments		6,489	6,706
Total current assets		87,415	87,544
<b>Non-current assets</b>			
Contract assets		1,000	705
Property, plant and equipment		2,281	2,535
Right-of-use assets		7,566	8,796
Intangibles	5	88,738	90,605
Deferred tax		-	351
Other assets		5,936	5,320
Total non-current assets		105,521	108,312
<b>Total assets</b>		192,936	195,856
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables		5,222	5,133
Contract liabilities		3,197	2,698
Lease liabilities		2,802	2,670
Provision for income tax		-	355
Employee benefits	7	13,648	9,657
Total current liabilities		24,869	20,513
<b>Non-current liabilities</b>			
Contract liabilities		132	713
Lease liabilities		4,619	5,905
Deferred tax		11,934	13,704
Provisions		1,476	1,431
Employee benefits	7	405	437
Total non-current liabilities		18,566	22,190
<b>Total liabilities</b>		43,435	42,703
<b>Net assets</b>		149,501	153,153
<b>Equity</b>			
Issued capital		105,196	105,196
Foreign currency reserve		1,644	641
Share-based payments reserve		488	-
Retained profits		42,173	47,316
<b>Total equity</b>		149,501	153,153

The above condensed consolidated statement of financial position should be read in conjunction with the accompanying notes

Consolidated	Share capital \$'000	Foreign currency reserve \$'000	Share-based payments reserve \$'000	Retained profits \$'000	Total equity \$'000
Balance at 1 July 2021	105,196	641	-	47,316	153,153
Profit after income tax expense for the half-year	-	-	-	3,500	3,500
Other comprehensive income for the half-year, net of tax	-	1,003	-	-	1,003
Total comprehensive income for the half-year	-	1,003	-	3,500	4,503
<i>Transactions with owners in their capacity as owners:</i>					
Share-based payments	-	-	488	-	488
Dividends paid (note 6)	-	-	-	(8,643)	(8,643)
Balance at 31 December 2021	105,196	1,644	488	42,173	149,501

Consolidated	Share capital \$'000	Foreign currency reserve \$'000	Share-based payments reserve \$'000	Retained profits \$'000	Total equity \$'000
Balance at 1 July 2020	103,192	1,365	2,280	47,465	154,302
Profit after income tax expense for the half-year	-	-	-	9,331	9,331
Other comprehensive loss for the half-year, net of tax	-	(995)	-	-	(995)
Total comprehensive income/(loss) for the half-year	-	(995)	-	9,331	8,336
<i>Transactions with owners in their capacity as owners:</i>					
Share-based payments	-	-	(231)	-	(231)
Shares issued to employees upon vesting of options and/or performance rights	1,208	-	(1,208)	-	-
Dividends paid (note 6)	-	-	-	(8,051)	(8,051)
Balance at 31 December 2020	104,400	370	841	48,745	154,356

The above condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes

	Note	31 Dec 2021 \$'000	Consolidated 31 Dec 2020 \$'000
<b>Cash flows from operating activities</b>			
Receipts from customers		59,883	51,744
Payments to suppliers and employees		(37,109)	(29,315)
		22,774	22,429
Interest received		93	340
Interest and other finance costs paid		(163)	(72)
Income taxes paid		(2,375)	(5,666)
Net cash from operating activities		20,329	17,031
<b>Cash flows from investing activities</b>			
Payments for property, plant and equipment		(235)	(1,023)
Payments for development costs capitalised	5	(11,177)	(12,448)
Net cash used in investing activities		(11,412)	(13,471)
<b>Cash flows from financing activities</b>			
Dividends paid	6	(8,643)	(8,051)
Repayment of lease liabilities, excluding the financing component		(1,282)	(915)
Net cash used in financing activities		(9,925)	(8,966)
Net decrease in cash and cash equivalents		(1,008)	(5,406)
Cash and cash equivalents at the beginning of the financial half-year		66,795	103,919
Effects of exchange rate changes on balances held in foreign currencies		364	(1,188)
Cash and cash equivalents at the end of the financial half-year		66,151	97,325

The above condensed consolidated statement of cash flows should be read in conjunction with the accompanying notes

## **Note 1. General information**

The financial statements cover Infomedia Ltd as a Group consisting of Infomedia Ltd and the entities it controlled at the end of, or during, the half-year. The financial statements are presented in Australian dollars, which is the Group's functional and presentation currency.

The Company is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

3 Minna Close  
Belrose, Sydney NSW 2085

A description of the nature of the Group's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 25 February 2022.

## **Note 2. Significant accounting policies**

These general purpose financial statements for the interim reporting period ended 31 December 2021 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2021 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

Effective 1 July 2021, the Group changed its accounting policy with respect to how it presents its condensed consolidated statement of profit or loss and other comprehensive income, specifically the classification of operating expenses has changed from being presented by function to nature. This was done on the basis that the new classification allows the Group to provide more useful information to the users of the Group's financial statements.

Presentation of reportable segment information in note 3 has changed in line with this.

Certain comparatives have been reclassified to align with current year presentation. These reclassifications have not impacted the net profit after tax, basic earnings per share, diluted earnings per share, net assets or net cash flows of the Group.

## **Rounding of amounts**

The Company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities & Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

## **New or amended Accounting Standards and Interpretations adopted**

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Group.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

### Note 3. Operating segments

#### Identification of reportable segments

The Group is organised into three reportable segments:

- Asia Pacific;
- Europe, Middle East and Africa ('EMEA'); and
- Americas, representing the combined North, Central and South America.

These reportable segments are based on the internal reports that are reviewed and used by the Chief Executive Officer & Managing Director (who is identified as the Chief Operating Decision Maker ('CODM')) in assessing performance and in determining the allocation of resources. There is no aggregation of reportable segments.

The reportable segments are identified by management based on the region in which products are sold. Discrete financial information about each of these operating segments is reported to the Board of Directors regularly.

The CODM reviews underlying cash earnings before interest, tax, depreciation and amortisation ('Underlying Cash EBITDA'). The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements.

#### Major customers

The Group has many customers to which it provides products. There is no significant reliance on any single customer contract.

#### Presentation of reportable segment information

The Group has changed its internal reporting measures monitored by the CODM to assess performance and determine allocation of resources. In addition, the group has changed its presentation of expenses in the condensed consolidated statement of profit or loss (note 2). Accordingly, the presentation of reportable segment information has changed to reflect this. Prior period comparatives have been re-presented to align to these changes. There is no impact on net profit after tax reported for the Group as a result of these changes.

The key internal measure of each operating segment's profit or loss reported regularly to the CODM is underlying cash earnings before interest, tax, depreciation and amortisation ('underlying cash EBITDA'). This measure reflects the ongoing or underlying activities of each segment of the Group and excludes income and expenditure that may arise on an infrequent basis or due to activities that are not core to that of the Group. Only costs that are controlled by each segment in relation to its operating activities and generation of revenue for the Group are included in its underlying cash EBITDA.

Reported net profit after tax ('reported NPAT') is adjusted for the following non-underlying items to determine underlying cash EBITDA:

- Earnout expenses (adjusted from employee benefits expenses)
- Unrealised foreign exchange gains/losses
- Share-based payment expenses (adjusted from employee benefits expenses)
- Other non-operating income
- Income tax expenses
- Depreciation and amortisation expenses
- Net finance expenses/income
- Capitalised development costs (adjusted from employee benefits expenses)
- AASB 16 non-cash adjustments (adjusted from facilities expenses)
- M&A expenses (adjusted from marketing and other expenses)

A reconciliation of underlying cash EBITDA to reported NPAT is disclosed in the operating segment information presented below.

## Note 3. Operating segments (continued)

## Reportable segment information

Consolidated - 31 Dec 2021	Asia Pacific \$'000	EMEA \$'000	Americas \$'000	Corporate \$'000	Total \$'000
<b>Revenue</b>	17,992	19,440	21,523	-	58,955
Other operating income	-	-	149	-	149
Sales, marketing and support	(2,770)	(2,419)	(4,283)	(678)	(10,150)
Product development and management	-	-	-	(15,210)	(15,210)
Data management	-	-	-	(1,587)	(1,587)
Administration	-	-	-	(5,303)	(5,303)
<b>Underlying employee benefits expenses (note 4)</b>	<b>(2,770)</b>	<b>(2,419)</b>	<b>(4,283)</b>	<b>(22,778)</b>	<b>(32,250)</b>
IT operating expenses	(37)	(72)	(147)	(4,822)	(5,078)
Integration, installation and training expenses	(1,554)	(99)	(1,210)	-	(2,863)
Royalty expenses	(144)	(421)	(1,801)	-	(2,366)
Facilities expenses	(81)	(134)	(165)	(1,400)	(1,780)
Compliance and insurance expenses	(64)	(67)	(79)	(612)	(822)
Marketing and other operating expenses	(45)	(56)	(385)	(204)	(690)
Realised foreign exchange gains	-	-	-	39	39
<b>Underlying operating expenses excluding non-cash items</b>	<b>(4,695)</b>	<b>(3,268)</b>	<b>(8,070)</b>	<b>(29,777)</b>	<b>(45,810)</b>
<b>Underlying Cash EBITDA</b>	<b>13,297</b>	<b>16,172</b>	<b>13,602</b>	<b>(29,777)</b>	<b>13,294</b>
Capitalised development costs					11,177
AASB16 non-cash adjustments					1,440
<b>Underlying EBITDA</b>					<b>25,911</b>
Depreciation of property, plant and equipment					(490)
Amortisation of capitalised development costs					(11,019)
Amortisation of acquired and other intangibles					(2,800)
Depreciation of right-of-use assets					(1,401)
Net finance expenses					(70)
<b>Underlying profit before tax</b>					<b>10,131</b>
Underlying income tax expense					(1,615)
<b>Underlying NPAT</b>					<b>8,516</b>
Earnout - Nidasu					(1,991)
Earnout - SimplePart					(3,650)
Unrealised foreign currency translation gains					97
Share-based payment expenses					(492)
Related income tax credit/(expense)					1,020
<b>Reported NPAT</b>					<b>3,500</b>

Australia and the United States of America are the only individual countries from which the Group derives material revenues. In the current half-year, the Group derived revenue of \$15.781 million from the United States of America (2020: \$8.715 million) and \$13.457 million from Australia (2020: \$11.643 million). \$72.986 million (June 2021: \$74.740 million) of the Group's non-current assets are located in Australia and \$32.087 million (June 2021: \$32.188 million) are located in the United States of America.

Note 3. Operating segments (continued)

Reportable segment information (continued)

Consolidated - 31 Dec 2020	Asia Pacific \$'000	EMEA \$'000	Americas \$'000	Corporate \$'000	Total \$'000
<b>Revenue</b>	15,673	18,320	13,696	-	47,689
Sales, marketing and support	(2,228)	(2,110)	(2,888)	(426)	(7,652)
Product development and management	-	-	-	(12,741)	(12,741)
Data management	-	-	-	(1,511)	(1,511)
Administration	-	-	-	(4,186)	(4,186)
<b>Underlying employee benefits expenses (note 4)</b>	(2,228)	(2,110)	(2,888)	(18,864)	(26,090)
IT operating expenses	(27)	(71)	(66)	(3,687)	(3,851)
Integration, installation and training expenses	(1,460)	(112)	(1,410)	-	(2,982)
Royalty expenses	(134)	(654)	(1,735)	-	(2,523)
Facilities expenses	(75)	(135)	(162)	(1,259)	(1,631)
Compliance and insurance expenses	(50)	(90)	(71)	(563)	(774)
Marketing and other operating expenses	(25)	(18)	(159)	(275)	(477)
Realised foreign exchange losses	(1)	(2)	-	(165)	(168)
<b>Underlying operating expenses excluding non-cash items</b>	(4,000)	(3,192)	(6,491)	(24,813)	(38,496)
<b>Underlying Cash EBITDA</b>	11,673	15,128	7,205	(24,813)	9,193
Capitalised development costs					12,448
AASB16 non-cash adjustments					987
<b>Underlying EBITDA</b>					22,628
Depreciation of property, plant and equipment					(363)
Amortisation of capitalised development costs					(7,840)
Amortisation of acquired and other intangibles					(980)
Depreciation of right-of-use assets					(876)
Net finance expenses					(52)
<b>Underlying profit before tax</b>					12,517
Underlying income tax expense					(2,925)
<b>Underlying NPAT</b>					9,592
Unrealised foreign currency translation losses					(608)
M&A expenses					(358)
Share-based payment expenses					(73)
Other non-operating income					783
Related income tax credit/(expense)					(5)
<b>Reported NPAT</b>					9,331



**Note 4. Revenue and employee benefits expenses**

	31 Dec 2021 \$'000	Consolidated 31 Dec 2020 \$'000
<b>Revenue disaggregated by nature</b>		
Subscription revenue	56,736	46,242
Development and other ancillary service revenue	2,219	1,447
	<u>58,955</u>	<u>47,689</u>
<b>Disaggregation of subscription revenue</b>		
Microcat	26,836	26,097
Superservice	12,712	12,064
InfoDrive	9,705	8,081
SimplePart	7,483	-
	<u>56,736</u>	<u>46,242</u>
<b>Employee benefits expenses</b>		
Sales, marketing and support	(10,150)	(7,652)
Product development and management	(15,210)	(12,741)
Data management	(1,587)	(1,511)
Administration	(5,303)	(4,186)
<b>Underlying employee benefits expenses</b>	<u>(32,250)</u>	<u>(26,090)</u>
Share-based payment expenses	(492)	(73)
Earnout - Nidasu	(1,991)	-
Earnout - SimplePart	(3,650)	-
Capitalised development costs	11,177	12,448
<b>Total employee benefits expenses</b>	<u>(27,206)</u>	<u>(13,715)</u>

**Reassessment of Nidasu contingent consideration**

During the year ended 30 June 2021, the Group undertook a re-assessment of its accounting treatment of Nidasu, a business combination the Group made in 2019, specifically in relation to the accounting treatment of the earnout payable to the selling shareholders who remained employed in the Group. Management concluded that, in accordance with AASB 3 Business Combinations paragraph B55(a), the earnout under the accounting standards is considered to be a post employment benefit that should be accounted for as an employee benefit expense rather than as contingent consideration payable for the acquired business.

This re-assessment was not considered to have a material impact on key metrics including net assets and profit before income tax expense in the prior period and consequently no restatement was made in respect of prior periods in accordance with the requirements of AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors.

Accordingly, the contingent consideration liability and the related impact on goodwill that were recognised at 31 December 2020 were derecognised net of the employee benefit expense at 30 June 2021.

Had this been accounted for as an employee benefit expense in the half-year period ended 31 December 2020, the following comparative amounts would change in the Condensed consolidated statement of profit or loss and other comprehensive income (in addition to the tax impact thereof):

- Net finance expenses would be \$0.318 million lower
- Employee benefits expense would be \$1.326 million higher

## Note 5. Intangibles

	31 Dec 2021 \$'000	Consolidated 30 Jun 2021 \$'000
Goodwill	20,362	20,138
Capitalised development costs	139,319	128,129
Less: Accumulated amortisation	(88,073)	(77,054)
	51,246	51,075
Software systems - at valuation	22,344	21,854
Less: Accumulated amortisation	(8,949)	(6,349)
	13,395	15,505
Customer relationships - at valuation	4,018	5,246
Less: Accumulated amortisation	(1,143)	(2,214)
	2,875	3,032
Brand names - at valuation	860	855
	88,738	90,605

## Reconciliation

Reconciliation of the written down values between the beginning and end of the current financial half-year is set out below:

Consolidated	Goodwill \$'000	Capitalised development costs \$'000	Software systems \$'000	Customer relationships \$'000	Brand names \$'000	Total \$'000
Balance at 1 July 2021	20,138	51,075	15,505	3,032	855	90,605
Additions	-	11,177	-	-	-	11,177
Amortisation expense	-	(11,019)	(2,572)	(228)	-	(13,819)
Exchange difference	224	13	462	71	5	775
Balance at 31 December 2021	20,362	51,246	13,395	2,875	860	88,738

## Note 6. Dividends

Dividends paid during the financial half-year were as follows:

	31 Dec 2021 \$'000	Consolidated 31 Dec 2020 \$'000
Final dividend for the year ended 30 June 2021 (30 June 2020)	8,643	8,051

**Note 7. Employee benefits liabilities**

	31 Dec 2021 \$'000	Consolidated 30 Jun 2021 \$'000
<b>Current</b>		
Employee benefits payable	2,174	3,576
Annual leave and long service leave provision	4,342	4,650
Nidasu earnout accrual	2,830	838
SimplePart earnout accrual	4,302	593
	<u>13,648</u>	<u>9,657</u>
<b>Non-current</b>		
Long service leave provision	<u>405</u>	<u>437</u>

**Note 8. Events after the reporting period**

On 25 February 2022, the Board declared a 70% franked interim dividend of 2.60 cents per share.

No other matter or circumstance has arisen since 31 December 2021 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

The Directors declare that:

- (a) in the Directors' opinion, 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
- (b) in the Directors' opinion, the attached financial statements and notes thereto are in accordance with the *Corporations Act 2001*, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the Group.

Signed in accordance with a resolution of the Directors made pursuant to s.303(5) of the *Corporations Act 2001*.

On behalf of the Directors



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Bart Vogel  
Chairman

25 February 2022

## Independent Auditor's Review Report to the members of Infomedia Ltd

### Report on the Half-Year Financial Report

#### *Conclusion*

We have reviewed the half-year financial report of Infomedia Ltd (the "Company") and its subsidiaries (the "Group"), which comprises the consolidated statement of financial position as at 31 December 2021, the condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of cash flows and the condensed consolidated statement of changes in equity for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration as set out on pages 6 to 17.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the Group is not in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Group's financial position as at 31 December 2021 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

#### *Basis for Conclusion*

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Half-year Financial Report* section of our report. We are independent of the Group in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual 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 review report.

#### *Directors' Responsibilities for the Half-year Financial Report*

The directors of the Company are responsible for the preparation of the half-year 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 half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.



### *Auditor's Responsibilities for the Review of the Half-year Financial Report*

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the Corporations Act 2001 including giving a true and fair view of the Group's financial position as at 31 December 2021 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

*Deloitte Touche Tohmatsu*

DELOITTE TOUCHE TOHMATSU

*Pooja Patel*

Pooja Patel  
Partner  
Chartered Accountants  
Sydney, 25 February 2022