

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document, or the action you should take, you should seek your own personal financial advice immediately from your stockbroker, bank manager, solicitor, accountant, fund manager or other independent financial adviser duly authorised under the Financial Services and Markets Act 2000 (as amended from time to time) ("FSMA") if you are in the United Kingdom or, if not, from another appropriately authorised independent adviser who specialises in advising on the acquisition of shares and other securities.

If you have sold or otherwise transferred all of your Existing Ordinary Shares, please send this document together with the accompanying Form of Proxy, to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee. If you have sold or otherwise transferred some of your Existing Ordinary Shares, you should consult with the stockbroker, bank or other agent through whom the sale or transfer was effected.

The Company and each of the Directors, details of which and whom appear on page 10 of this document, accept responsibility for the information contained in this document, including individual and collective responsibility for compliance with the AIM Rules. To the best of the knowledge and belief of the Company and the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

This document, which comprises an AIM admission document drawn up in accordance with the AIM Rules for Companies, has been prepared in connection with the proposed admission of the Enlarged Share Capital to trading on AIM, a market operated by the London Stock Exchange. Accordingly, this document does not contain an offer or constitute any part of an offer of transferable securities to the public within the meaning of section 102B of FSMA. This document does not constitute a prospectus within the meaning of section 85 of FSMA, has not been drawn up in accordance with the Prospectus Regulation Rules published by the Financial Conduct Authority ("FCA") and a copy has not, and will not be, approved or filed with the FCA. The Ordinary Shares will not be admitted to the Official List or to any recognised investment exchange apart from AIM and no such other applications have been or are intended to be made.

AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the FCA. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser. Each AIM company is required, pursuant to the AIM Rules for Companies, to have a nominated adviser. The nominated adviser is required to make a declaration to the London Stock Exchange on Re-Admission in the form set out in Schedule Two to the AIM Rules for Nominated Advisers. The London Stock Exchange has not itself examined or approved the contents of this document.

Application will be made for the Fundraising Shares to be admitted to trading on AIM. The Directors expect that Fundraising Admission will become effective and that dealings in the Fundraising Shares will commence on AIM on or around 23 August 2021. In addition, application will be made for the Enlarged Share Capital to be admitted to trading on AIM. The Directors expect that Re-Admission will become effective and that dealings in the Enlarged Share Capital will commence on AIM on or around 2 September 2021 upon completion of the acquisition of Isentia Group Limited.

Your attention is drawn to the section entitled "Risk Factors" set out in Part II of this document. All statements regarding the Company should be viewed in light of these risk factors.

Access Intelligence plc

(Incorporated in England and Wales under the Companies Act 2006 with registration number 04799195)

ACQUISITION OF THE ENTIRE ISSUED SHARE CAPITAL OF ISENTIA GROUP LIMITED
PLACING OF 39,847,658 PLACING SHARES AT A PRICE OF 120 PENCE PER SHARE
SUBSCRIPTION FOR 1,819,009 SUBSCRIPTION SHARES AT A PRICE OF 120 PENCE PER SHARE
RE-ADMISSION OF THE ENLARGED SHARE CAPITAL TO TRADING ON AIM
NOTICE OF GENERAL MEETING

Nominated Adviser and Broker



finnCap, which is authorised and regulated in the United Kingdom by the FCA, is acting exclusively as the Company's Nominated Adviser and Broker in connection with the Acquisition, the Placing and Re-Admission for the purposes of the AIM Rules and no one else in connection with the matters described herein and will not be responsible to anyone other than the Company for providing the protections afforded to customers of finnCap or for advising any other person in respect of the contents of this document or on any transaction or arrangement referred to in this document. The responsibilities of finnCap as nominated adviser under the AIM Rules are owed solely to the London Stock Exchange and are not owed to the Company or any Director or to any other person.

No liability whatsoever is accepted by finnCap for the accuracy of any information or opinions contained in this Document, or for the omission of any material information, for which the Company and the Directors are solely responsible.

Prospective investors should rely only on the information in this document. No person has been authorised to give any information or make any representations other than those contained in this document and, if given or made, such information or representations must not be relied upon as having been so authorised. No representation or warranty, express or implied, is made by finnCap as to any of the contents of this document and no liability is accepted by finnCap for the accuracy of any information or opinions contained in this document.

Notice of a General Meeting to be held at Riverbank House, 2 Swan Lane, London EC4R 3TT on 9 July 2021 at 10.00 a.m. is set out at the end of this document.

A Form of Proxy for use at the General Meeting is enclosed which, if you wish to validly appoint a proxy, should be completed and signed in accordance with the instructions printed thereon, and returned to the Company's Registrars Neville Registrars Limited, Neville House, Steelpark Road, Halesowen B62 8HD as soon as possible but in any event so as to be received by the Registrars no later than 48 hours (excluding any part of a day that is not a working day) before the time appointed for the General Meeting. For CREST members, a proxy may be appointed by using the CREST electronic proxy appointment service. For further details please see the notes to the Notice of the General Meeting set out at the end of this document.

Prospective investors in the Company should read the whole text of this document.

IMPORTANT INFORMATION

This document has been prepared in connection with the matters described herein, pursuant to and for the purpose of complying with the laws of England and Wales and the AIM Rules and information disclosed may not be the same as that which would have been prepared in accordance with the laws of jurisdictions outside England and Wales. Nothing in this document should be relied on for any other purpose.

Neither the delivery of this document or any subsequent subscriptions or purchases made hereunder and at any time subsequent to the date of this document shall, under any circumstances, create any implication that the information contained in this document is correct as of any time subsequent to the date of this document.

An investment in the Company may not be suitable for all recipients of this document. Any such investment is speculative and involves a high degree of risk. Prospective investors should read the whole of this document and should carefully consider whether an investment in the Company is suitable for them in light of their circumstances and the financial resources available to them. Attention is drawn, in particular, to the risk factors set out in Part II of this document. All statements regarding the Company's business, financial position and prospects should be viewed in the light of the risk factors set out in Part II of this document.

All times referred to in this document are, unless otherwise stated, references to London time.

The contents of this document are not to be construed as legal, financial, business, investment or tax advice. Each prospective investor should consult his, her or its own legal adviser, financial adviser or tax adviser for legal, financial or tax advice. Prospective investors must inform themselves as to: (a) the legal requirements within their own countries for the purchase, holding, transfer or other disposal of Fundraising Shares; (b) any foreign exchange restrictions applicable to the purchase, holding, transfer or other disposal of Placing Shares which they might encounter; and (c) the income and other tax consequences which may apply in their own countries as a result of the purchase, holding, transfer or other disposal of Fundraising Shares. Prospective investors must rely on their own representatives, including their own legal advisers and accountants, as to legal, tax, investment, or any other related matters concerning the Company and an investment therein.

Investors who subscribe for or purchase Fundraising Shares will be deemed to have acknowledged that: (i) they have not relied on finnCap or any person affiliated with finnCap in connection with any investigation of the accuracy of any information contained in this document for their investment decision; and (ii) they have relied only on the information contained in this document, and no person has been authorised to give any information or to make any representation concerning the Enlarged Group or the Fundraising Shares (other than as contained in this document) and, if given or made, any such other information or representation should not be relied upon as having been authorised by or on behalf of the Company, the Directors or finnCap.

INFORMATION TO DISTRIBUTORS

Solely for the purposes of the product governance requirements contained within: (a) the UK's implementation of EU Directive 2014/65/EU on markets in financial instruments, as amended ("UK **MiFID II**"); (b) and the UK's implementation of Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "**MiFID II Product Governance Requirements**"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the Product Governance Requirements) may otherwise have with respect thereto, the Fundraising Shares have been subject to a product approval process, which has determined that the Fundraising Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in UK MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by UK MiFID II (the "**Target Market Assessment**"). Notwithstanding the Target Market Assessment, distributors should note that: the price of the Fundraising Shares may decline and investors could lose all or part of their investment; the Fundraising Shares offer no guaranteed income and no capital protection; and an investment in the Fundraising Shares is compatible only with investors who do not need a guaranteed income or capital

protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Fundraising. Furthermore, it is noted that, notwithstanding the Target Market Assessment, finnCap will only procure investors who meet the criteria of professional clients and eligible counterparties. For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of UK MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Fundraising Shares. Each distributor is responsible for undertaking its own target market assessment in respect of the Fundraising Shares and determining appropriate distribution channels.

FORWARD-LOOKING STATEMENTS

Certain statements in this document are or may constitute “forward-looking statements”. In some cases, these forward-looking statements can be identified by the use of forward-looking terminology, including the terms “believes”, “estimates”, “plans”, “prepares”, “anticipates”, “expects”, “intends”, “may”, “will” or “should” or their negatives or other variations or comparable terminology. Such forward-looking statements are not based on historical facts but rather reflect the Directors’ current beliefs and assumptions and are based on information currently available to management. Such information will include expectations regarding the Enlarged Group’s future growth, results of operations, performance, future capital and other expenditures (including the amount, nature and sources of funding thereof), competitive advantages, financial condition, liquidity, business prospects and opportunities. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements, many of which are beyond the control of the Company. These forward-looking statements are subject to, *inter alia*, the risk factors described in Part II of this document. Although the forward-looking statements contained in this document are based upon what the Directors believe to be reasonable assumptions, the Company cannot assure investors that actual results will be consistent with these forward-looking statements.

These forward-looking statements speak only as at the date of this document. Subject to any applicable obligations, the Company undertakes no obligation to update publicly or review any forward-looking statement, whether as a result of new information, future developments or otherwise. All subsequent written and oral forward-looking statements attributable to the Company or individuals acting on behalf of the Company are expressly qualified in their entirety by this paragraph and the paragraph immediately preceding it.

ROUNDING, MARKET AND FINANCIAL INFORMATION

Certain figures included in this document have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

The data, statistics and information and other statements in this document regarding the markets in which the Enlarged Group operates, or its market position therein, are based upon the Enlarged Group’s records or are taken or derived from statistical data and information derived from the sources described in this document.

Whilst the Company takes responsibility for accurately compiling, extracting and reproducing market or other industry data from external sources, including third parties or industry or general publications, neither the Company nor finnCap has independently verified that data. The Company is not aware of any fact or matter which renders such information inaccurate or misleading but cannot assure investors of the accuracy and completeness of the underlying data that has been compiled, extracted or reproduced.

NO INCORPORATION OF WEBSITES

Save as expressly referred to in this document, the contents of the Company’s website, including any websites available from hyperlinks on the Company’s website, do not form part of this document. Investors should not rely on such information, without prejudice to the documents incorporated by reference into this document, which are available on the Company’s website.

NOTICE TO OVERSEAS SHAREHOLDERS

This document does not constitute an offer to sell, or a solicitation to buy, Placing Shares in any jurisdiction in which such offer or solicitation is unlawful. In particular, this document is not for distribution in or into the United States of America, Canada, Australia (other than on the limited basis referred to below), the Republic of South Africa or Japan or any other jurisdiction where to do so would be in breach of any applicable law or regulation. The Placing Shares have not been and will not be registered under the United States Securities Act of 1933, as amended from time to time (the “**Securities Act**”), or under the securities legislation of any state of the United States or any province or territory of Canada, Australia, the Republic of South Africa or Japan. Accordingly, the Placing Shares may not, subject to certain exceptions, be offered or sold directly or indirectly in or into the United States of America, Canada, Australia (other than on the limited basis referred to below), the Republic of South Africa or Japan, or to, or for the account or benefit of, any US persons (as such term is defined in Regulation S under the Securities Act) or any national, citizen or resident of Canada, Australia, the Republic of South Africa or Japan or any other jurisdiction where to do so would constitute a breach of local securities laws or regulations. This document is being distributed in Australia on a limited basis only to persons who are sophisticated, experienced or professional investors meeting the criteria in sections 708(8), (10) or (11) respectively of the Australian Corporations Act 2001. The distribution of this document in certain jurisdictions may be restricted by law. No action has been taken by the Company, or finnCap that would permit a public offer of Placing Shares or possession or distribution of this document where action for that purpose is required. Persons into whose possession this document comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

Holding Ordinary Shares may have implications for overseas Shareholders under the laws of the relevant overseas jurisdictions. Overseas Shareholders should inform themselves about and observe any applicable legal requirements. It is the responsibility of each overseas Shareholder to satisfy himself as to the full observance of the laws of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents which may be required, or the compliance with other necessary formalities which are required to be observed and the payment of any issue, transfer or other taxes due in such jurisdiction.

NO PROSPECTUS

This document is not a Prospectus for the purposes of the Prospectus Regulation (EU) 2017/1129 (the “EU Prospectus Regulation”) or Prospectus Regulation (EU) 2017/1129 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended (the “UK Prospectus Regulation”). This document has been prepared on the basis that all offers of the Fundraising Shares will be made pursuant to an exemption under the UK Prospectus Regulation from the requirement to produce a Prospectus. Accordingly, any person making or intending to make any offer within the United Kingdom of Fundraising Shares which is the subject of the offering contemplated in this document should only do so in circumstances in which no obligation arises for the Company or finnCap to produce a Prospectus for such offer. Neither the Company nor finnCap has authorised, nor will any of them authorise, the making of any offer of the Fundraising Shares through any financial intermediary, other than offers made by finnCap which constitute the final placing of the Placing Shares contemplated in this document.

Notice to prospective investors in the United Kingdom

No Ordinary Shares have been offered or will be offered pursuant to the Offers to the public in the United Kingdom prior to the publication of a prospectus in relation to the Ordinary Shares which has been approved by the FCA, except that Ordinary Shares may be offered to the public at any time:

- (1) to any legal entity which is a qualified investor as defined under Article 2 of the UK Prospectus Regulation;
- (2) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the UK Prospectus Regulation); or
- (3) in any other circumstances falling within section 86 of FSMA,

provided that no such offer of Ordinary Shares shall result in a requirement for the publication of a prospectus pursuant to section 85 of FSMA and each person (other than any Retail Offeree) who initially acquires any Ordinary Shares or to whom any offer is made under the Offers will be deemed to have represented,

acknowledged and agreed that it is a “qualified investor” within the meaning of Article 2 of the UK Prospectus Regulation.

For these purposes, the expression “**an offer to the public**” in relation to any offer of Ordinary Shares in the United Kingdom means a communication in any form and by any means presenting sufficient information on the terms of the offer and any Ordinary Shares to be offered so as to enable an investor to decide to purchase or subscribe for the Ordinary Shares and the expression the “**UK Prospectus Regulation**” means Regulation (EU) 2017/1129 (as amended), as it form part of domestic law by virtue of the European Union (Withdrawal) Act 2018.

This document is being distributed to, and is directed only at (i) the Retail Offerees (for the purposes of the Retail Offer); and (ii) such other persons in the United Kingdom who are “qualified investors” (within the meaning of Article 2 of the UK Prospectus Regulation) and (a) who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “FPO”); and/or (b) who are high net worth entities falling within Article 49(2)(a) to (d) of the FPO; and (iii) other persons to whom it may otherwise be lawfully distributed (each a “relevant person”). Any investment or investment activity to which this document relates is available only to relevant persons and will be engaged in only with such persons. Persons who are not relevant persons should not rely on or act upon this document. This document has been approved by PrimaryBid for the purposes of section 21 of FSMA and the terms of such approval limit the use of this document as so approved for the purposes of the Retail Offer only.

GOVERNING LAW

Unless otherwise stated, statements made in this document are based on the law and practice currently in force in England and Wales and are subject to changes therein.

CURRENCY PRESENTATION AND FOREIGN EXCHANGE

All references in this document to “Sterling”, “£”, “pence” and “penny” are to the lawful currency of the UK.

All references in this document to “US\$” and “\$” are to the lawful currency of the United States of America.

All references in this document to “AUD\$” and “AUD” are to the lawful currency of Australia.

For the purposes of this document, the £:AUD\$ exchange rate used is 1.8325.

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FUNDRAISING STATISTICS

Placing Price	120 pence
Issued Share Capital*	84,679,849 Ordinary Shares
Number of Retail Offer Shares	Up to 1,666,667
Issued share capital post the Retail Offer**	86,346,516
Number of Placing Shares pursuant to the Placing	39,847,658
Number of Subscription Shares pursuant to the Subscription	1,819,009
Enlarged Issued Share Capital on Fundraising Admission**	128,013,183
Market Capitalisation of the Company immediately following Fundraising Admission at the Placing Price**	£153.6 million
Fundraising Shares as a percentage of the Enlarged Issued Share Capital**	32.5 per cent.
Gross proceeds of the Fundraising	£50.0 million
Estimated net proceeds of the Fundraising	£46.5 million
ISIN	GB00BGQVB052
AIM Symbol	ACC
Legal Entity Identifier	213800PPZ4ZM8OMHGT41

*Excludes the 2,966,666 Ordinary Shares held in treasury

**Excludes the 2,966,666 Ordinary Shares held in treasury and assumes full take up of the Retail Offer Shares under the Retail Offer

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Publication of this document	15 June 2021
Expected time and date of the Retail Offer Admission	8.00 a.m. on 21 June 2021
CREST accounts credited with the Retail Offer Shares	8.00 a.m. on 21 June 2021
Dispatch of definitive share certificates for the Retail Offer Shares	within 10 business days of Retail Offer Admission
Latest time and date for receipt of completed Forms of Proxy	10.00 a.m. on 7 July 2021
General Meeting	10.00 a.m. on 9 July 2021
Expected time and date of Fundraising Admission	8.00 a.m. on 23 August 2021
CREST accounts credited with the Placing Shares and Subscription Shares (where applicable)	8.00 a.m. on 23 August 2021
Dispatch of definitive share certificates for Placing Shares and Subscription Shares (where applicable)	within 10 business days of Fundraising Admission
Expected date for Implementation of the Acquisition	1 September 2021
Cancellation of trading on AIM of the Enlarged Share Capital	7.00 a.m. on 2 September 2021
Re-Admission effective and dealings in the Enlarged Share Capital commence on AIM	8.00 a.m. on 2 September 2021

Note:

Save in relation to the date on which this document is published and in relation to the Implementation of the Acquisition as set out below, each of the dates in the above timetable is subject to change at the absolute discretion of the Company and finnCap without further notice.

All times are London times unless otherwise stated.

EXPECTED TIMETABLE IN RELATION TO THE ACQUISITION OF ISENTIA

Execution of binding Scheme Implementation Deed	15 June 2021
First Court Hearing	16 July 2021
Scheme Booklet published	19 July 2021
Isentia Shareholder Meeting	17 August 2021
Second Court Hearing	20 August 2021
Effective Date	20 August 2021
Scheme Record Date	25 August 2021
Scheme Implementation Date	1 September 2021

Note:

** Save in relation to the execution of the binding Scheme Implementation Deed, each of the dates in the above timetable is indicative and subject to change and the timings set out above are subject to the Australian regulatory regime concerning schemes of arrangement and are conditional on (among other things) shareholder approval at the Isentia Shareholder Meeting. Any changes to the Scheme dates set out above would be subject to the consent of Isentia and Access Intelligence.*

All times are London times unless otherwise stated.

DIRECTORS, SECRETARY AND ADVISERS

Directors	Christopher Satterthwaite Joanna Arnold Mark Fautley Chris Pilling Sarah Vawda Katie Puris	<i>Non-Executive Chairman</i> <i>Chief Executive Officer</i> <i>Chief Financial Officer</i> <i>Non-Executive Director</i> <i>Non-Executive Director</i> <i>Non-Executive Director</i>
Company Secretary	Beyond Governance Limited	
Registered Office	The Johnson Building 79 Hatton Garden London EC1N 8AW	
Website	www.accessintelligence.com	
Nominated Adviser and Broker	finnCap Limited 1 Bartholomew Close London EC1A 7BL	
UK legal advisers to the Company	Fieldfisher LLP Riverbank House 2 Swan Lane London EC4R 3TT	
Australian legal advisers to the Company	Herbert Smith Freehills Level 33, ANZ Tower 161 Castlereagh Street Sydney NSW 2000	
Legal advisers to the Nominated Adviser and the Broker	Stephenson Harwood LLP 1 Finsbury Circus London EC2M 7SH	
Reporting Accountants to the Company	BDO LLP 55 Baker Street London W1U 7EU	
Auditors to the Company	Mazars LLP Tower Bridge House St Katharine's Way London E1W 1DD	
Registrars	Neville Registrars Limited Neville House Steelpark Road Halesowen B62 8HD	

DEFINITIONS

The following definitions apply throughout this document unless the context otherwise requires:

“Acquisition”	the proposed acquisition of the entire issued share capital of Isentia Group Limited (other than any Isentia Shares held by the Company) as contemplated by the Scheme Implementation Deed
“Act”	the Companies Act 2006, as amended from time to time
“Admission Document” or “Document” or “this document”	this document
“AIM”	the market of that name operated by the London Stock Exchange
“AIM Rules”	the AIM Rules for Companies and the AIM Rules for Nominated Advisers
“AIM Rules for Companies”	the London Stock Exchange’s rules and guidance notes contained in its “AIM Rules for Companies” relating to companies whose securities are traded on AIM, as amended from time to time
“AIM Rules for Nominated Advisers”	the London Stock Exchange’s rules and guidance notes contained in its “AIM Rules for Nominated Advisers” relating to the nominated advisers to companies whose securities are traded on AIM, as amended from time to time
“Articles”	the Existing Articles or the New Articles as appropriate
“ASIC”	the Australian Securities and Investments Commission
“ASX”	the Australian Securities Exchange
“Audit Committee”	the audit committee duly authorised by the Board
“Australian Business Day”	a day that is not a Saturday, Sunday or a public holiday or bank holiday in Sydney, New South Wales
“Board” or “Directors”	the current directors of the Company, whose names are set out on page 10 of this document
“Business Day”	a day on which the London Stock Exchange is open for business in London
“City Code”	the UK City Code on Takeovers and Mergers as amended from time to time
“Company” or “Access Intelligence”	Access Intelligence plc, a company incorporated in England and Wales with company number 04799195 and its subsidiaries
“Corporations Act”	the <i>Corporations Act 2001</i> (Cth) (Australia), as amended from time to time
“Court”	the Federal Court of Australia
“CREST”	the Relevant System (as defined in the CREST Regulations) for paperless settlement of share transfers and the holding of shares in uncertified form in respect of which Euroclear is the Operator (as defined in the Crest Regulations)

“CREST Manual”	the CREST manual referred to in the agreements entered into with Euroclear
“CREST Proxy Instruction”	The form of appointment of proxy to vote through the Euroclear system
“Disclosure Guidance and Transparency Rules”	the Disclosure Guidance and Transparency Rules made by the FCA in exercise of its functions as competent authority pursuant to Part VI of FSMA, as amended from time to time, and contained in the FCA publication of the same name
“EEA”	the European Economic Area
“Effective”	in the context of the Acquisition, the coming into effect, under section 411(10) of the Corporations Act, of the order of the Court made under section 411(4)(b) of the Corporations Act in relation to that Scheme
“Effective Date”	the date on which the Scheme becomes Effective
“EMI Options”	Options to acquire Ordinary Shares intended to qualify as enterprise management incentive Options granted under the Share Option Scheme;
“End Date”	the date on which the Scheme must become unconditional and effective, failing which it will lapse, being the date that is 6 months from the date of the Scheme Implementation Deed, or such later date as the Company and Isentia may agree
“Enlarged Group”	the Group as enlarged by the Acquisition
“Enlarged Issued Share Capital”	the Enlarged Share Capital excluding the 2,966,666 Ordinary Shares held in treasury
“Enlarged Share Capital”	the Ordinary Shares which shall be in issue at Re-Admission, comprising the Existing Ordinary Shares, the Retail Offer Shares and the Fundraising Shares
“ESMA”	the European Securities and Markets Authority
“EU”	the European Union
“Euroclear”	Euroclear UK & Ireland Limited, a company incorporated in England and Wales with registered number 02878738
“Excluded Isentia Shareholder”	any Isentia Shareholder who is a member of the Company group or any Isentia Shareholder who holds any Isentia Shares on behalf, or for the benefit of, any member of the Company group and does not hold Isentia Shares on behalf of, or for the benefit of, any other person
“Existing Articles”	the existing articles of association of the Company as at the date of this document
“Existing Ordinary Shares”	the 87,646,515 issued Ordinary Shares of the Company as at the date of this document (including the 2,966,666 Ordinary Shares held in treasury)
“FCA”	the Financial Conduct Authority
“finnCap”	finnCap Limited, nominated adviser and broker to the Company

“First Court Hearing”	the first court hearing held in accordance with Part 5.1 of the Corporations Act
“Form of Proxy”	the form of proxy accompanying this document for use by Shareholders at the General Meeting
“FSMA”	the Financial Services and Markets Act 2000, as amended from time to time
“Fundraising”	together the Placing and the Subscription
“Fundraising Admission”	the admission of the Fundraising Shares to trading on AIM, expected to be on 23 August 2021
“Fundraising Shares”	the Placing Shares and the Subscription Shares
“General Meeting”	the general meeting of the Company to be held at 10.00 a.m. on 9 July 2021 (and any adjournment of such meeting) at Riverbank House, 2 Swan Lane, London EC4R 3TT, notice of which is set out at the end of this document
“Group”	the Company and its subsidiaries as at the date of this document
“HMRC”	Her Majesty’s Revenue and Customs
“IFRS”	International Financial Reporting Standards as adopted by the EU
“Implementation” or “Scheme Implementation Date”	the date on which the Acquisition is implemented in accordance with the terms of the Scheme Implementation Deed
“Isentia”	Isentia Group Limited, a company incorporated in Australia with its registered office at Level 3, 219-241 Cleveland Street, Strawberry Hills, NSW 2012, Australia
“Isentia Group”	Isentia and its subsidiaries as at the date of this document
“Isentia Share”	a fully paid ordinary share in the capital of Isentia
“Isentia Share Register”	the register of members of Isentia maintained by or on behalf of Isentia in accordance with section 168(1) of the Corporations Act
“Isentia Shareholder Meeting”	a meeting of Isentia Shareholders (other than Excluded Isentia Shareholders) convened by the Court in order to consider and vote on the Scheme
“Isentia Shareholders”	the persons who are registered in the Isentia Share Register as a holder of a fully paid ordinary share in the capital of Isentia
“ISIN”	International Securities Identification Number
“Issued Share Capital”	the 84,679,849 Ordinary shares with voting rights (excluding the 2,966,666 Ordinary Shares held in treasury)
“ITEPA”	the Income Tax Earnings and Pensions Act 2003
“London Stock Exchange”	London Stock Exchange plc
“Long-Term Value Creation Plan”	the long term value creation plan to be adopted by the Company, further details of which are set out in paragraph 12.2 of Part VI of this document

“MAR”	the Market Abuse Regulation (EU) (596/2014) (incorporating the technical standards, delegated regulations and guidance notes, published by the European Commission, the London Stock Exchange, the FCA and ESMA) as retained EU law as defined in, and by virtue of, the European Union (Withdrawal) Act 2018, as amended
“New Articles”	the proposed new articles of association of the Company to be approved at the General Meeting
“NTA Options”	Options to acquire Ordinary Shares granted under the Share Option Scheme which are non-tax advantaged Options
“Official List”	the Official List of the FCA
“Options”	EMI Options and NTA Options
“Ordinary Shares”	the ordinary shares of £0.05 each in the capital of the Company
“Participating Directors”	The Directors participating in the Placing, being Christopher Satterthwaite, Mark Fautley, Chris Pilling and Sarah Vawda
“Placees”	the subscribers or purchasers of Placing Shares pursuant to the Placing
“Placing”	the conditional placing of the Placing Shares by finnCap as agent for the Company at the Placing Price pursuant to the Placing Agreement
“Placing Agreement”	the conditional placing agreement dated 14 June 2021 between (i) the Company; (ii) the Directors; and (iii) finnCap relating to the Placing, a summary of which is set out at paragraph 11.2 of Part VI of this document
“Placing Price”	120 pence per Fundraising Share or Retail Offer Share
“Placing Shares”	39,847,658 new Ordinary Shares to be issued to Placees at the Placing Price pursuant to the Placing
“PrimaryBid”	PrimaryBid Limited, a company incorporated in England and Wales with registered number 08092575
“Proposals”	the Placing, the Subscription, the Acquisition and Re-Admission, in each case as described in this document
“Prospectus Regulation Rules”	the prospectus regulation rules made by the FCA pursuant to sections 73(A)(1) and (4) of FSMA
“QCA Code”	the Corporate Governance Code for Small and Mid-size Quoted Companies 2018, published in April 2018 by the Quoted Companies Alliance
“Re-Admission”	the re-admission of the Enlarged Share Capital to trading on AIM becoming effective in accordance with Rule 6 and Rule 14 of the AIM Rules for Companies
“Registrars”	Neville Registrars Limited, the Company’s registrars
“Remuneration Committee”	the remuneration committee duly authorised by the Board
“Resolutions”	the resolutions to be proposed at the General Meeting

“Restricted Jurisdiction”	any jurisdiction where distribution of this document would violate the laws of that jurisdiction including but not limited to the US, Australia, Canada, Japan and the Republic of South Africa
“Retail Offer”	the offer of up to 1,666,667 Retail Offer Shares to be issued and/or sold to Retail Offerees at the Placing Price, further details of which are set out in paragraph 10 of Part I of this document
“Retail Offer Admission”	admission of the Retail Offer Shares to trading on AIM
“Retail Offerees”	PrimaryBid’s clients, as such PrimaryBid may determine to accept applications in the Retail Offer from, in each case resident in the U.K.
“Retail Offer Shares”	up to 1,666,667 new Ordinary Shares to be issued under the Retail Offer
“Scheme”	the scheme of arrangement proposed to be made under Part 5.1 of the Corporations Act between Isentia and Isentia Shareholders (other than Excluded Isentia Shareholders) to implement the Acquisition, with or subject to any modification thereof or addition thereto or condition approved or imposed by the Court and agreed by the Company and Isentia
“Scheme Booklet”	the document to be sent by Isentia to the Isentia Shareholders (other than Excluded Isentia Shareholders) of which the Scheme forms part
“Scheme Conditions”	the conditions to Implementation of the Scheme and further terms of the offer, as set out in the Scheme Implementation Deed as well as the Scheme Booklet and “Condition” means any one of them
“Scheme Consideration” or “Consideration”	AUD\$0.175 per Scheme Share
“Scheme Implementation Deed”	the scheme implementation deed dated on or around the date of this document between the Company and Isentia and relating, amongst other things, to the Implementation of the Acquisition, further details of which are set out in this document and will be set out in the Scheme Booklet
“Scheme Record Date”	in respect of the Scheme, 5.00 p.m. Sydney, Australia time on the third Australian Business Day (or such other Australian Business Day as the Company and Isentia agree in writing) following the Effective Date
“Scheme Share”	an Isentia Share (other than an Isentia Share held by an Excluded Isentia Shareholder) on issue as at the Scheme Record Date
“Second Court Hearing”	the second court hearing held in accordance with Part 5.1 of the Corporations Act
“Shareholders”	the persons who are registered as the holders of Ordinary Shares from time to time
“Share Option Scheme”	the share option scheme known as the “Access Intelligence plc 2019 Management Incentive Scheme”, further details of which are set out in paragraph 12 of Part VI of this document”
“Subscriber”	Bombora Investment Management

“Subscription”	the subscription to be made for the Subscription Shares at the Placing Price pursuant to the Subscription Letter
“Subscription Letter”	the subscription letter dated 14 June 2021 between the Company and the Subscriber in respect of the Subscription
“Subscription Shares”	the 1,819,009 new Ordinary shares to be issued pursuant to the Subscription
“Takeover Offer”	a takeover offer made under Chapter 6 of the Corporations Act
“Takeover Panel”	the UK Panel on Takeovers and Mergers
“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland
“UK Prospectus Regulation”	the UK version of EU Prospectus Regulation 2017/1129 which forms part of the law of England and Wales as retained EU law as defined in, and by virtue of, the European Union (Withdrawal) Act 2018, as amended
“uncertificated” or “in uncertificated form”	recorded on the register of Ordinary Shares as being held in uncertificated form in CREST, entitlement to which by virtue of the CREST Regulations, may be transferred by means of CREST
“US” or “United States”	the United States of America, its territories and possessions, any states of the United States of America and the District of Columbia and other areas subject to its jurisdiction

GLOSSARY

“ACV”	Annual Contract Value
“ANZ”	Australia and New Zealand
“APAC”	Asia-Pacific
“AUD”	Australian Dollars
“CAC”	Cost of Acquisition per customer
“EBITDA”	Earnings before interest, tax, depreciation and amortisation
“GBP”	British Pounds Sterling
“LTV”	Lifetime Value
“PR”	Public Relations
“ROI”	Return on Investment
“SaaS”	Software as a Service
“TCV”	Total Contract Value
“VAS”	Value Added Services

PART I

LETTER FROM THE CHAIRMAN OF ACCESS INTELLIGENCE PLC

(Incorporated in England and Wales with registered number 04799195)

Directors:

Christopher Satterthwaite *(Non-Executive Chairman)*
Joanna Arnold *(Chief Executive Officer)*
Mark Fautley *(Chief Financial Officer)*
Chris Pilling *(Non-Executive Director)*
Sarah Vawda *(Non-Executive Director)*
Katie Puris *(Non-Executive Director)*

Registered Office:

The Johnson Building
79 Hatton Garden
London
EC1N 8AW

15 June 2021

To Shareholders and, for information only, to holders of Options

ACQUISITION OF THE ENTIRE ISSUED SHARE CAPITAL OF ISENTIA GROUP LIMITED
PLACING OF 39,847,658 PLACING SHARES AT A PRICE OF 120 PENCE PER SHARE
SUBSCRIPTION FOR 1,819,009 SUBSCRIPTION SHARES AT A PRICE OF 120 PENCE PER SHARE
RE-ADMISSION OF THE ENLARGED SHARE CAPITAL TO TRADING ON AIM
AND
NOTICE OF GENERAL MEETING

1. Introduction

On 15 June 2021, the boards of Access Intelligence and Isentia announced that they had agreed the terms of an acquisition pursuant to which Access Intelligence (through its Australian subsidiary) will acquire the entire issued and to be issued ordinary share capital of Isentia for an equity valuation of approximately AUD\$35.6m (£19.4m), valuing each Isentia share at AUD\$0.175 (£0.095) (other than any Isentia Shares that Access Intelligence owns or will own).

As the Acquisition will see the Company acquire the Isentia Group, the Acquisition also means that the Company will acquire the Isentia Group's existing senior debt and other indebtedness. The Company will procure the repayment of the Isentia Group's senior debt and other indebtedness as soon as practicable following Implementation which it intends to do out of the proceeds of the Fundraising.

In order to fund the equity consideration of the Acquisition and repay the full amount of the drawn down debt of Isentia, the Company has also announced the terms of a Placing of 39,847,658 Ordinary Shares and a Subscription for 1,819,009 Ordinary Shares at the Placing Price to raise aggregate gross proceeds of £50.0m.

Isentia is a media intelligence and award-winning insights company headquartered in Sydney, Australia, operating in Australia, New Zealand and parts of South-East Asia. Isentia is engaged in the provision of media intelligence services to both public and private sector PR and communications clients through media monitoring, social media monitoring, and media analysis.

The Directors expect the Acquisition, if completed, to be transformational with strong strategic and financial rationale. The Directors believe that the Acquisition will provide Access Intelligence with the opportunity to further its strategic aspirations for global expansion and scale while delivering revenue growth and cost synergy opportunities. The Directors believe that combining the two businesses would provide the Enlarged Group with a significantly enhanced product offering and the capability to cross-sell and upsell to the Enlarged Group's customer base while allowing the Company to have a much broader geographical reach. The Directors believe that the Acquisition will be earnings enhancing in the first full year following completion of the Acquisition.

The purpose of this document is to provide you with information on the Proposals and to explain why the Directors consider the Proposals to be in the best interests of the Company and the Shareholders, and why they recommend that Shareholders vote in favour of the Resolutions to be proposed at the General Meeting.

Pursuant to the requirements of the Australian takeover process, the receiving agent needs to have received in cleared funds the cash required to pay the consideration to the Isentia Shareholders (other than Excluded Isentia Shareholders) prior to the Scheme Implementation Date. As a result, it is anticipated that Fundraising Admission will occur following the Second Court Hearing in relation to the Scheme and following the filing of the court orders in relation to the second court hearing with ASIC (the point at which the Scheme becomes Effective). It is anticipated that Fundraising Shares will be admitted to trading on the Business Day after the Scheme becomes Effective, but prior to the Scheme Implementation Date. Nevertheless, if the Scheme is approved at the Second Court Hearing, there will be no remaining conditions to the Acquisition, save for the payment of the consideration to the Isentia Shareholders (other than Excluded Isentia Shareholders) on the Scheme Implementation Date.

It is expected that the Fundraising Admission will become effective and that dealings in the Fundraising Shares will commence on AIM at 8.00 a.m. on 23 August 2021. The Fundraising Shares will rank, on issue, *pari passu* in all respects with the Existing Ordinary Shares including the right to receive all dividends and distributions paid or made in respect of the Ordinary Shares. The Fundraising Shares will be issued free from all liens, charges and encumbrances.

As a consequence of the Acquisition constituting a reverse takeover, the Company is required to apply for admission to AIM of the Enlarged Group. Therefore, application will be made for the Enlarged Share Capital to be admitted to trading on AIM, such that following Implementation, the Enlarged Group can continue trading on AIM. It is expected that Re-Admission will occur and that dealings in the Enlarged Share Capital, will commence on AIM on 2 September 2021 following Implementation which is expected to occur on or around 1 September 2021.

In addition, PrimaryBid have also announced today the Retail Offer of up to 1,666,667 Retail Offer Shares at the Placing Price. The Retail Offer is not conditional on the Placing and the Acquisition and is being undertaken to facilitate potential retail participation in the Company. The Retail Offer Shares are being issued under the Company's existing authorities granted at the Company's Annual General Meeting held on 13 May 2021 and it is expected that Retail Offer Admission will occur on 21 June 2021.

You should read the whole of this document and not just rely on the information contained in this letter. In particular, you should consider carefully the "Risk Factors" set out in Part II of this document.

2. Background on the Company

History

Access Intelligence was incorporated in November 2000 with the objective of providing small businesses with practical advice and support on marketing. In November 2003, the Company listed on AIM through a reverse takeover of Readymarket Ltd. Since then, the Company has evolved into a provider of media intelligence software, delivering SaaS solutions for the corporate communications and reputation management industry.

The Access Intelligence software portfolio consists of three core solutions – Vuelio, ResponseSource and Pulsar. Together the portfolio offers a range of applications for reputation management, through the cloud, to clients in the PR, marketing and communication industries. The Company now has operations in the UK, USA and Australia, employing over 190 people with over 3,500 customers.

Business

Access intelligence is a technology led company delivering SaaS products that address the fundamental business needs of customers in the PR, marketing and communications industries. Access intelligence's technology is relied on by more than 3,500 organisations every day, from global blue-chip enterprises and world-leading marketing agencies to public sector and not-for-profits organisations.

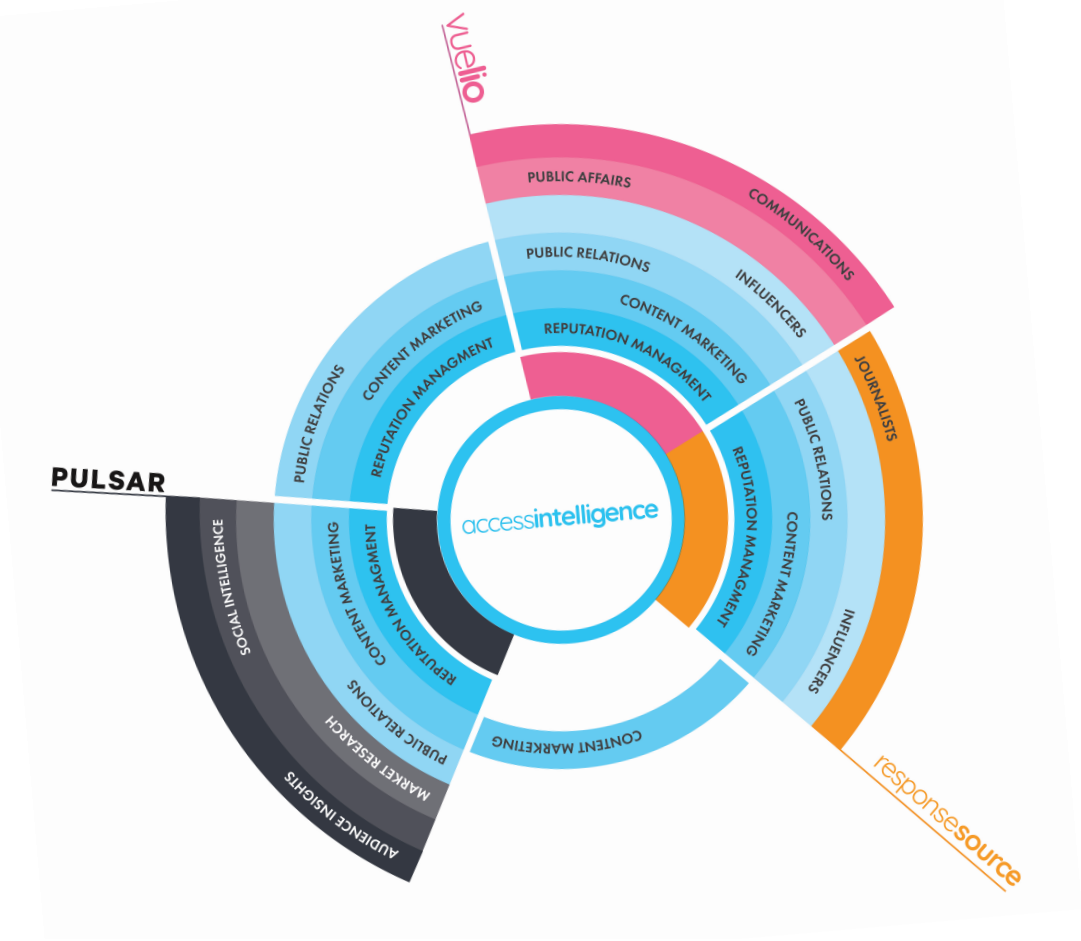
Access Intelligence combines AI technologies with human expertise to analyse data and provide strategic insights in order that organisations can understand what has impact on their reputation and key audiences – from customers to stakeholders, politicians to influencers and the media. In the age of ‘information overload’ where influence moves in real-time across multiple platforms, Access Intelligence provides a single, real time view of what’s important. This includes where risks or opportunities are emerging, when and how to engage and providing customers with the tools to evaluate how effective PR, communications and marketing activity is against commercial objectives.

The Access Intelligence portfolio includes Vuelio, a technology platform that helps organisations make their story matter. Vuelio’s holistic platform provides media, political and social media insight with monitoring and analysis tools for PR, public affairs, stakeholder engagement and influencer marketing.

Alongside Vuelio is Pulsar, the market leading audience insights and social listening platform. Pulsar combines conversational and behavioural data in over 60 languages from the world’s leading digital sources with analysis powered by vertical AI and smart human research. It provides brands with actionable insights that underpin marketing strategy and improves effectiveness.

The Access Intelligence portfolio also includes ResponseSource, a network used by thousands of journalists and influencers to secure the insight, information and connections they need. ResponseSource reduces friction in the flow of information between trusted experts.

Together, the Access Intelligence Group provides technology and insights that power open and effective communication, strengthening brand reputation and improving marketing engagement by transforming relationships between business, media, government and the public.



Vuelio

Vuelio delivers market leading communications technology that combines media, political and social media insight with monitoring and analysis tools for PR, public affairs, stakeholder engagement and influencer

marketing. It helps organisations make their story matter improving PR, communications and marketing effectiveness by enabling real-time engagement with key stakeholders within a full communications workflow platform. Using Vuelio, users can proactively promote and protect their organisation's reputation with a flexible, scalable solution that can be accessed securely wherever they are via the cloud.

Leveraging its extensive insights led contact database of journalists, social influencers and politicians, Vuelio provides its customers with the ability to understand who is important to their organisation and reputation then communicate directly with them. The platform provides monitoring and analysis tools with impact measurement and ROI metrics in order to evaluate and improve ongoing campaign and team performance.

The Vuelio platform includes:

- Media & Influencer Database – the Vuelio global database provides customers with all the information needed to better understand and connect with the journalists and social media influencers that matter to their story, topic or campaign;
- Campaign Distribution – fast and effective campaign distribution and management combined with analytics to gauge impact by viewing live engagement rates;
- Online Newsrooms – publish content easily within branded, customisable newsrooms available to journalists, stakeholders and influencers;
- Media Monitoring – allowing customers to stay ahead of breaking news and coverage with tailored alerts for broadcast, print, online and social media;
- Media Analysis and Reporting – evaluate the impact of activity by analysing how content was received with practical insight to make future communications work even better;
- Canvas – instantly generates high impact, visual reporting of news stories, social media activity, video and audio from across the web and offline;
- Stakeholder Management – ensures consistent engagement with journalists, influencers and other key stakeholders across an organisation by having a single, centralised online hub that details every interaction between a team and key stakeholders; and
- Public Affairs – monitors Parliament, engages with political stakeholders and contributes to policy, whilst accessing a comprehensive who's who database of the UK and European political landscape, that is constantly updated to reflect changes as they happen.

ResponseSource

ResponseSource is a network that rapidly connects media and influencers to the experts, resources and insights they need. It is used by professionals in the PR, marketing and media industries and includes the leading media enquiry service for journalists and social media influencers. ResponseSource delivers a highly complementary SaaS offering to the Vuelio platform and has a strong recurring revenue profile with a loyal customer book of c.1,500 customers.

At the core of the ResponseSource offering is a real-time 'match-making' platform for journalists and PR professionals, in which journalists and bloggers make requests for information to PR agencies and brands to inform the articles, case studies, interviews and product reviews they are working on. The service brings efficiency to the flow of information between expert sources – an ever-increasing priority in the 'fake news' era. With a large proportion of the journalist population in the UK using ResponseSource, it brings both significant cross-selling opportunities to the Access Intelligence Group but also adds real-time engagement to the Vuelio platform – making it stickier for existing communications users and transforming the media and influencer community into active users of the platform.

Pulsar

Complementing the reputation and engagement focus of Vuelio and ResponseSource is Pulsar, the market leading audience insights and social listening platform. Based on real-time data analysis of social media, search data and online conversations globally in more than 60 languages, Pulsar provides brand strategists, marketers, PR and product designers with actionable consumer insights. This includes the ability to track how conversations develop around themes, audience perception of brands and evaluation of the performance of marketing and PR campaigns. Pulsar's data includes search platforms Google and Bing; social media platforms such as Facebook (public data), Instagram, Sina Weibo, VK, Twitter, YouTube,

LinkedIn and TikTok, as well as the smaller scale micro-blogger space and consumer forums such as TripAdvisor, Amazon, Reddit and Trust Pilot.

There are four key pillars to the Pulsar offering:

- TRAC: Pulsar TRAC is a social listening and insight tool that combines keyword and content tracking with audience segmentation, enabling communications teams to understand audiences then map key influencers in each conversation as it develops;
- TRENDS: Pulsar TRENDS enables users to understand the spread of social media engagement and track how conversations evolve and go viral across social media platforms benefiting from a 14 year historical data archive;
- CORE: Pulsar CORE is an analytics tool that allows customers to monitor the growth of their audience, benchmark themselves against their competitors and track the performance of their content across multiple owned channels, from social media to Google analytics; and
- Research: with its significant expertise and knowledge of the audience intelligence market, Pulsar also delivers research and consultancy services to provide industry-specific strategic insights. Research includes marketing effectiveness, audience discovery and creative development for brand messaging, integrating quantitative and qualitative methodologies to turn audience data into strategic insight.

Clients

Access Intelligence provides services to a diverse and extensive blue-chip client base across both private and public sectors. Clients include the following:



Value Drivers and KPIs

Access Intelligence has a number of key value drivers including its high recurring revenue (95 per cent.), attributable to its SaaS model; high barriers to entry, attributable to its market leading technology; and global reach with expanding client base through upselling and cross selling.

The key KPIs for Access Intelligence include

- Net growth in ACV base
- Renewal rates
- Average order value
- TCV:ACV ratio
- Customer LTV
- Revenue per employee

Overview Financial Information on Access Intelligence

	Year ended 30 November 2020 £'000	Year ended 30 November 2019 £'000	Year ended 30 November 2018 £'000
Revenue	19,070	13,429	8,888
Gross margin	72%	75%	70%
Adjusted EBITDA	686	805	34
Recurring revenue	94%	97%	99%

Since 2018, the Company has completed the acquisitions of ResponseSource in November 2018 and Pulsar in October 2019 both of which enabled the Company to complement its Vuelio product offering and broaden its capability. Coupled with this, the Company also completed a number of product enhancements. Over the same period, the Company has seen revenue increase by approximately 115 per cent. to approximately £19.1 million in the year ended 30 November 2020 with recurring revenue comprising approximately 94 per cent. of the total revenue generated by the Group for the year ended 30 November 2020. As the Company has increased its revenue, the Company has seen Adjusted EBITDA increase to approximately £686,000 for the year ended 30 November 2020, a year which included the losses attributable to the Pulsar business acquired in October 2019. Excluding Pulsar, the Group's adjusted EBITDA for the year was approximately £2.7 million.

The year ended 30 November 2020 proved to be an exceptional year for the Company in terms of new client wins. These included Amazon, Aegon, Astra-Zeneca, Boots, Chanel, Dow Jones, Hulu, Levi Strauss, LinkedIn, Lotus, Nintendo, Publicis, Saatchi & Saatchi, The International Monetary Fund, Unicredit, Twitter, Veolia and WWF. The Board believes that these client wins demonstrate the increasing appeal of the Group's portfolio across a diverse range of sectors and territories. Also in the year, the ACV base increased by 21.0 per cent. to £21.9 million from 2019 with the Company's growth rate more than doubling in the second half of the year with strong new business and renewal rates underpinning growth in ACV of £2.8m in the period. This compares to ACV growth of £1.1m in the first six months of the financial year ended 30 November 2020, a period which was impacted by the global economic disruption prompted by COVID-19 and the consequential delays in investment decisions being taken.

3. Information on Isentia Group

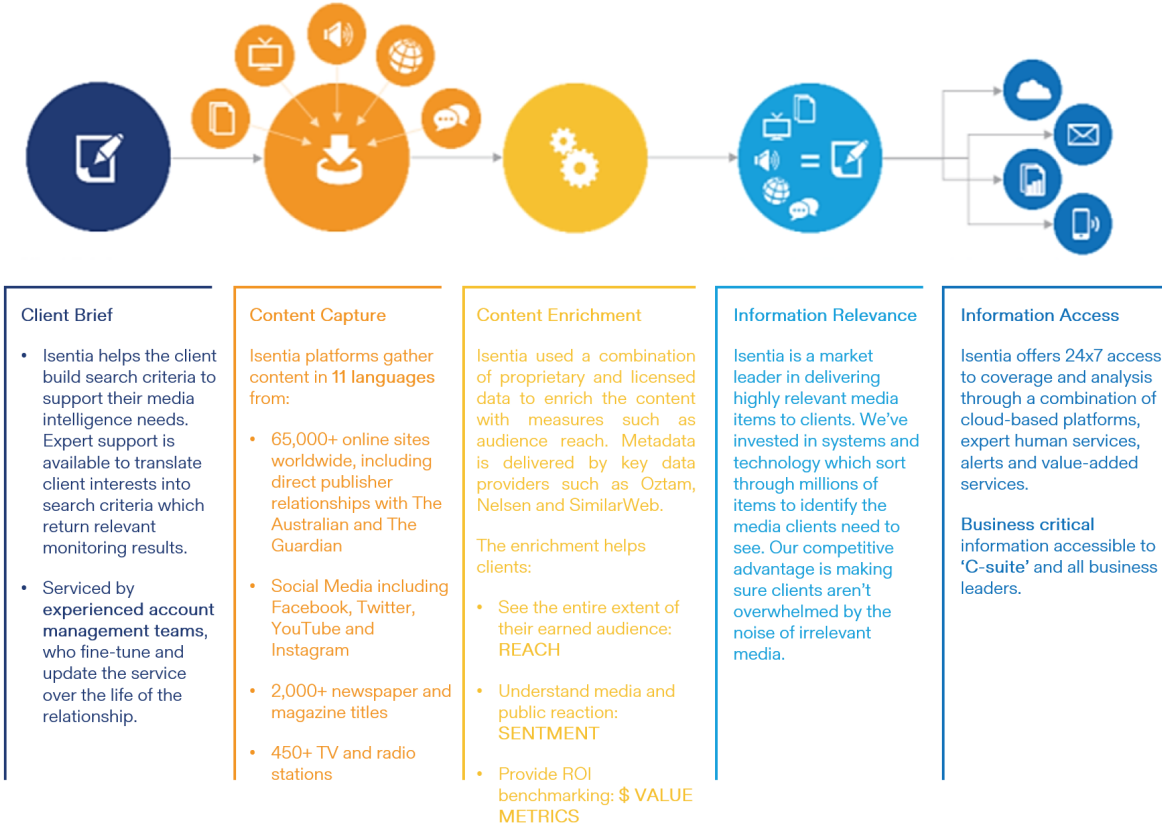
History

Founded in 1982 as a mainstream media monitoring business, Isentia has grown to be a leading media intelligence and insights company in Australia, New Zealand and parts of South East Asia with a presence in eight markets. Headquartered in Sydney, Australia, Isentia listed on the Australian Securities Exchange in June 2014. Since its listing on the ASX, it has developed its capabilities to capture and deliver a broad mix of content through multiple proprietary SaaS platforms, including its market leading Mediaportal software, as well as its capabilities to provide value added services ("VAS") through its Insights and Daily Briefings products. Over the past 10 years, Isentia has focused on executing a highly acquisitive strategy, making acquisitions which have provided Isentia with opportunities to both expand its capabilities and enter new geographies.

Business Model

Isentia provides media intelligence services to public and private sector clients in Australia, New Zealand, and parts of South-East Asia. Isentia is a market leader in the media intelligence space in Australia, where it has over 50 per cent. market share, as well as being a leading participant in New Zealand and the locations in which it operates in parts of South-East Asia. Isentia operates two key segments: the SaaS segment which is centered around the provision of software and systems that capture, enrich, interpret and analyse data from mainstream traditional media, online and social media sources so as to deliver business-critical media intelligence to its customers; and the VAS segment, which provides bespoke insights and briefings reports to assist clients to make more informed and timely business and communications decisions and execute their media strategies.

Overview of Isentia’s Data Methodology



Isentia generates its income from the provision of its SaaS platforms and VAS offerings to over 2,400 clients in APAC, with more than 70 per cent. of revenues coming from Australia and New Zealand, the balance being attributable to the company’s presence in six countries in South-East Asia. Given its SaaS-led subscription-based offerings, Isentia has a high portion of recurring revenue (90 per cent. in the year ending 30 June 2020).

Isentia has enacted major changes to its management and governance structure since 2018 with a new executive team appointed in 2019 tasked with implementing a strategic plan that would help Isentia to effectively challenge the increasing competition it was seeing in its core markets of Australia and New Zealand and capture the market opportunity in parts of the South-East Asian market.

Products and Services

Isentia’s business model is structured such that it has two core offerings, the SaaS platforms and additional VAS. Typically, clients purchase Isentia’s SaaS platforms on a subscription fee model with contract terms of at least one year. In addition to this, customers are able to make additional purchases, either as a one-off assignment or at an incremental subscription fee, from Isentia’s VAS offerings. Isentia’s flagship product, Mediportal, accounted for approximately 68 per cent. of revenue in the year ending 30 June 2020.

SaaS: Mediportal

Isentia offers media monitoring services through a number of platforms, including its flagship product Mediportal. The Mediportal platform is a proprietary subscription-based software that has been continually upgraded to migrate it to the cloud and afford the customer greater and more flexible functionality. It is complemented by native mobile apps for Android and iOS devices. Mediportal has been developed in-house and provides clients with a cloud-based workspace to review, organise, analyse and report on traditional and social media activity and includes customisable reporting and analytical tools. Mediportal provides access to time-critical and highly relevant tailored mainstream and social media information that has been searched and filtered to the client’s specific brief and information requirements. Mediportal is central to Isentia’s business model as it facilitates the adoption of Isentia’s further VAS offerings such as Media Impact Analysis, Reputation Analysis and Daily Briefings.

Feeds:

Feeds provides the ability to view, organise and manage integrated media across social, broadcast, print and online sources. Feeds allows each individual user to browse coverage of interest. Each user can set up as many as ten Feeds, by specifying keywords, media types, sentiment, geographic region, media outlets, or specific contacts.

Report Builder:

Mediaportal's reporting functionality allows clients to build a range of outputs to meet organisational requirements. Reports can be created in several flexible formats (custom reports, PDF, email or plain text files). Users can select relevant coverage, add external sources and create a themed report that reflects the client's brand or campaign's colour and style.

Dashboard Analytics:

The analytics functionality in Mediaportal has been significantly updated to reflect the needs of Communications and PR professionals. The new dashboard in Mediaportal allows clients to analyse campaigns, coverage or a topic of interest. There are a wide range of templated charts, along with multiple filters (e.g. date range, location, media type, sentiment) which enable clients to analyse performance, discover the outlets influencing the story, or explore coverage in a variety of ways.

Alerts:

Mediaportal offers flexible alerts across all media. This allows clients to define how they receive specified coverage. Alerts can be created and edited in an instant, ready to send content based on client interests. One recent addition is Live Alerts, launched in 2019, which is a service providing text messages about media mentions of specified terms (e.g. a brand) in broadcast media. The product notifies clients in as little as four minutes after they have been mentioned in a broadcast, enabling clients to be aware of commentary immediately.

Journalist Database & Distribution:

Connect is Isentia's bespoke media contacts database covering print, online, radio, and television journalists. The database can be filtered by location, beat, and publication, and includes social media handles, related roles, circulation, editorial/broadcast data and topics of interest. Connect also enables clients to distribute their news and media releases to key media contacts.

VAS: Media Analysis Reports

Isentia's Media Analysis Reports is a service which leverages its extensive media monitoring capabilities, datasets and proprietary research methodologies to create in-depth assessments of clients' media impact media coverage. The reports assess the effectiveness of communications and campaigns and include analysis on the positive or negative sentiment being expressed in media coverage as well as the effectiveness of communications and campaigns. These reports are designed to enable clients to plan and evaluate their performance both on internal KPIs as well as chosen benchmarks against competitors.

VAS: Reputation Analysis

In 2019, Isentia launched its Reputation Analysis product which is designed to help organisations benchmark, strategise and measure reputation. The analysis uses an integrated framework to examine the three most important drivers of organisational reputation: strategy, culture, and delivery. All three drivers are analysed independently, and the report includes an overall RepID score on a scale of -10 to +10 which integrates the strategy, culture and delivery scores, as well as providing detailed information on performance across each driver and recommendations for improving the RepID score.

VAS: Daily Briefings

Daily Briefings is a critical snapshot of the latest news, delivered to clients by email, in a mobile friendly format. Isentia's team of editors produce an easy to read report of critical coverage from TV, newspapers, social media, online and radio to keep clients informed about media mentions of their own brand name, their executives, industry news, as well as competitor activity.

Other Products & Platforms

ISENTIA has recently established a data science team, tasked with creating new and innovative dashboards for clients, which go beyond the data and functionality available in its other SaaS platforms. Leveraging third-party data visualisation tools, this team has the capability to innovate quickly and act as a sandbox for new ideas, which may later be productionised in Mediaportal.

Clients in Singapore also benefit from a range of sophisticated social media analysis reports, which provide strategic insight and direction for clients. These include Trendspotting, Segmentation and Brand Impact Analysis.

ISENTIA also maintains several SaaS platforms in South East Asia, which came from previous acquisitions which provide clients with a variety of media monitoring and analysis tools. Local teams also leverage these tools to deliver clients a variety of reports with the objective of migrating these clients onto Mediaportal over time.

Customers

ISENTIA has a high-quality client base including government and leading corporates such as Nestle, Pfizer, Coca-Cola and DHL Worldwide Express.

Location and Employees

Currently, ISENTIA operates in eight geographical markets across Australia, New Zealand and South East Asia and has over 850 employees.

The ISENTIA Strategic plan

In recent years, there has been an increase in market competition with some new providers offering new technologies at sometimes a lower cost. This has resulted in ISENTIA's once dominant position being reduced and seen a consequential reduction in ISENTIA's revenue. Notwithstanding this increased competitive environment and the associated impacts on ISENTIA, the business retains a leading market position in its core Australian market where it still boasts an estimated 50-60 per cent. market share of the media intelligence market.

As a result of this increased competition causing a decline in revenues, the ISENTIA board undertook a number of strategic initiatives for growth including:

- Enhancement of the existing product suite – given its historic market leading position, limited investment had been made to ISENTIA's existing products and new competitors had been able to win customers with newer technologies;
- Automation of certain elements within ISENTIA, allowing for streamlined operations, faster speed of delivery and margin improvement; and
- Improvement to ISENTIA's social media offering and speed of analysis to capture the strong and growing market in South-East Asia where social is critical.

The current ISENTIA management team has achieved a number of milestones on this strategic plan including the automation of all press workflows, increasing the speed and reliability of core systems and the introduction of Reputation Analysis. Going forward, ISENTIA intends to continue working toward consolidating all its systems onto a single platform, extend its machine learning capabilities, rebuild its data pipelines, and continue to improve its user interface. The Directors of Access Intelligence believe that the combination of the businesses will allow for this technology enhancement to occur more efficiently using the combined technological know how within ISENTIA and Access Intelligence so as to provide a superior product suite to existing and new clients. Further details on the reasons for the Acquisition are found in paragraph 5 of this Part I.

The State of the Strategy

Strategic plan has adapted to changing market conditions

	ACHIEVED	IN PROGRESS
<p>Establish an efficient operating model underpinned by single platform</p> 	<ul style="list-style-type: none"> Automation of press and broadcast workflows Increased speed and reliability of core systems Levelled playing field in copyright 	<ul style="list-style-type: none"> Consolidate systems and move closer to a single platform Extend machine learning to accelerate decision-making Complete full automation of data pipelines
<p>Deliver world-class, market-centric product innovation</p> 	<ul style="list-style-type: none"> Launched multiple new platform features and functions Introduced innovative growth products incl. Reputation analysis 	<ul style="list-style-type: none"> Roll out new platform architecture and UX Expand on-platform social media analytics to provide unique 'social + traditional' capability Make final transition to 100% real-time content delivery
<p>Create regional scale to strengthen Asia Pacific leadership</p> 	<ul style="list-style-type: none"> Increase product development resources in SEA Developed multinational offering and sales structure Exited North Asia as not aligned with strategy 	<ul style="list-style-type: none"> Continue to launch new Asia-focused products Standardise product offering across SEA markets to improve local and multimarket sales Standardise processes across SEA to achieve labour efficiency

Overview Financial Information on Isentia

	Six months ended 31 December 2020 AUD\$m	Year ended 30 June 2020 AUD\$m	Year ended 30 June 2019 AUD\$m	Year ended 30 June 2018 AUD\$m
Revenue*	42.9	110.3	122.5	137.1
Underlying EBITDA**	5.5	24.8	23.1	33.1
Net profit after tax*	(5.9)	(10.9)	(34.3)	1.3

*Includes discontinued North Asian operations.

**Underlying EBITDA represents earnings before interest, income tax expense, depreciation and amortisation adjusted to eliminate, fair valued adjustments, impairment expenses, loss of disposal of assets and other said items such as restructuring costs, legal and settlement costs including costs related to the cyber incident in October 2020. In FY20 the underlying EBITDA includes an IFRS 16 impact of approximately AUD\$3.9m. In FY18, underlying EBITDA has also been adjusted to exclude the impact of exited business and proceeds from a legal settlement.

As described above, in recent years Isentia has seen increased market competition including new market entrants in its core markets of Australia and New Zealand with such competitors providing new technologies at a sometimes lower cost. This, amongst other things, has resulted in a reduction in Isentia's market share and as a consequence has seen revenue and profitability reduce in the period. In addition, as further described below in paragraph 4 of this Part I, the financial performance for the six month period to 31 December 2020 was impacted by a significant cyber incident which saw Isentia's key services disrupted for three to four weeks. The board of Isentia estimated that the cyber incident negatively impacted Isentia's EBIT for the half year ending 31 December 2020 by approximately AUD\$4.4m through a combination of lost revenues and additional costs. As further described in this part I, certain initiatives have been commenced by Isentia management to reduce the loss of clients through the improvement of its existing product suite and also the implementation of cost saving initiatives to reduce the cost structure of the business.

4. Current Trading and Future Prospects

Access Intelligence

Access Intelligence announced its audited final results for the year ended 30 November 2020 on 30 March 2021, reporting the following highlights:

- The Group's revenue increased by approximately 42 per cent. to £19.1 million (2019: £13.4 million).
- Excluding Pulsar, which was acquired in H2 2019, revenue increased by 10 per cent. to £13.9 million.
- Annual Contract Value ("ACV") base increased by 21 per cent. to £21.9 million (2019: £18.1 million).

- The Group delivered an Adjusted EBITDA* of £0.7 million (2019: £0.8 million).

The Company maintained strong growth in the first quarter of 2021, with new client wins including Atom, Eli Lilly, Euromonitor, Mastercard, McLaren, Moonpig, Red Bull Racing, Sainsburys, Securitas, Shelter, Size?, Stagecoach, Unicef and UK Research and Innovation.

In a fund raising announced in December 2020, the Company raised £10.0 million (before expenses) to enhance the Group's technology and platform of products, for further geographic expansion, to continue to explore suitable acquisition opportunities and to further strengthen its Balance Sheet. During the first quarter of the current financial year, the Company appointed both a new Chief Operating Officer based in the UK and a Vice President of Sales – Americas. With the US market being a key strategic opportunity, the Company continues to build out its expanded US sales team. Whilst still early days, the Company is pleased with the engagement being seen in the US and has already managed to win contracts with excellent blue chip brands such as Eli Lilly, Twitch and Havas.

The current financial year has continued the same momentum seen by the Company during the second half of the financial year to 30 November 2020. In the six months to 31 May 2021, the Company has continued to see strong new business and renewal rates with ACV as at 31 May 2021 of approximately £24.7 million. New business sales in the period were up 47 per cent. year on year and the Company continues to see excellent upsells which increased by approximately 63 per cent. year on year. Revenue in the five months to 30 April 2021 is expected to be not less than £9.0 million.

New client wins since the start of the current financial year include Asda, Capita, EY, Financial Times and Unicef.

Isentia

Isentia announced its unaudited interim results for the six months ended 31 December 2020 on 26 February 2021, reporting the following highlights:

- Revenue of AUD\$41.8 million, down AUD\$10.4m on H1 FY20 (excluding North Asia)
- Cyber incident reduced revenue by AUD\$3.3m; AUD\$4.4m EBIT impact in H1 FY21
- Transformation program reduces cost base; total costs down AUD\$3.5m on H1 FY20
- Underlying EBITDA of AUD\$5.9m, down AUD\$6.9m on H1 FY20 (Underlying EBITDA is inclusive of IFRS 16 and adjusted for certain non-operating items and excludes North Asia)
- Underlying EBITDA margin of 14.1 per cent. (FY20: 24.5 per cent.) (Underlying EBITDA is inclusive of IFRS 16 and adjusted for certain non-operating items and excludes North Asia)
- Net Profit After Tax before Amortisation (NPATA) loss of AUD\$5.2m (NPATA is net profit after tax before the amortisation of acquired intangibles and includes North Asia)
- New 3-year debt facility of AUD\$46.6m; net debt of AUD\$30.3m at 31 December 2020

In October 2020, Isentia announced that it had been subject to a cyber security incident, disrupting its services within its SaaS platform Mediaportal. As a result of the incident, Isentia's operations and financial performance were impacted which saw the key services disrupted for three to four weeks. The cyber incident is estimated to have reduced revenue by AUD\$3.3m in H1 FY21 as discounts and credits were provided to affected customers. Isentia also incurred additional remediation costs, leading to a direct EBIT impact of approximately AUD\$4.4m in the six months ending 31 December 2020.

The following text is taken from Isentia's interim announcement made on 26 February 2021:

"Isentia faced a number of challenges in the first half including a cyber incident that severely disrupted services in the December quarter and second waves of COVID-19 that affected operations in South East Asia. These factors, along with a highly competitive environment in Australia, led to an AUD\$10.4m decline in revenue to AUD\$41.8m. This was partly offset by ongoing transformation and efficiency programs which delivered an 8.9 per cent. reduction in total costs resulting in underlying EBITDA of AUD\$5.9m.

The cyber incident is estimated to have reduced revenue by AUD\$3.3m in H1 FY21 as discounts and credits were provided to affected customers. Isentia also incurred additional remediation costs, leading to a direct EBIT impact of approximately AUD\$4.4m in the first half. The FY21 EBIT impact is expected to be AUD\$7.0-8.0m, slightly below previous guidance of AUD\$7.0-8.5m, and encompasses both the direct and downstream effects of the incident.”

Since the cyber security incident, the Board of Isentia has taken measures to ensure it improves its security and ensured that processes and controls are in place to better protect the company against such incidents.

Isentia revenue and underlying EBITDA¹ for the 11 months to 31 May 2021 from Isentia’s unaudited management accounts is AUD\$76.4 million and AUD\$12.8 million (vs. AUD\$93.9 million and AUD\$22.5 million² for the 11 months to 31 May 2020).

Trading Update for 11 months to 31 May 2021 (Unaudited Management Accounts)

AUD\$m	11 months to 31 May 2021	11 months to 31 May 2020
ANZ Revenue	56.9	70.5
South East Asia Revenue	19.5	23.4
TOTAL REVENUE	76.4	93.9
TOTAL COSTS	63.6	71.4
UNDERLYING EBITDA¹	12.8	22.5

Isentia have noted that the period was impacted in part by the cyber incident in October 2020 that had an approximately AUD\$3.3 million direct impact on revenue, approximately AUD\$4.4 million direct impact on EBIT and an approximately AUD\$4.4 million direct impact on cash. In addition, and as previously reported, the cyber incident resulted in a delay to key strategic projects which were aimed to reduce churn in the business and, as outlined in the 1H21 results presentation, this has had a consequential impact on FY21’s results when compared to expectations.

In addition, Isentia has continued to face some business challenges during FY21 including continued competition in Australia and NZ which has affected customer retention and pricing, competition in Asia and ongoing COVID-19 headwinds (particularly in the South Asian markets).

- 1 Underlying EBITDA is inclusive of IFRS 16 and adjusts for approximately AUD\$5.7 million in costs associated with the transaction incurred to date, copyright tribunal related expenses, North Asia trading and closure costs, one-off costs associated with the cyber incident in October 2020 and other restructuring related expenses.
- 2 FY20 underlying EBITDA is inclusive of IFRS 16 and adjusts for North Asia trading and other non-operating items.
- 3 Year to date is for the 11 months to 31 May

Some of this information relates to past performance. Past performance is not a reliable indication of future results.

5. Background to, and reasons for, the Acquisition and strategy for the Enlarged Group

The Directors believe that following the Acquisition, the Enlarged Group will benefit from greater scale, a superior product offering and greater geographic reach as well as being able to benefit from business synergies available from a combination of Access Intelligence and Isentia.

Isentia’s market leading position in APAC is underpinned by a sales and operational infrastructure across ANZ as well as the major South East Asian economies. A key element of Access Intelligence’s strategy is to continue to expand and diversify revenues globally to complement its market leading position in Europe and growing presence in the US. The Vuelio and Pulsar products have already been proven in APAC and the Middle East, with blue-chip customers in these regions. Isentia’s current product portfolio is limited to media monitoring, entry-level social listening and manual insights, and this represents significant cross-sell and up-sell opportunities for Vuelio’s wider communications campaign management platform and influencer database, as well as Pulsar’s advanced audience analysis and social media intelligence. Isentia recognises that its existing social offering is limited and as a result Isentia and Access Intelligence are already working

together on potential opportunities to provide Access Intelligence's Pulsar offering to Isentia's existing customer base.

The Acquisition represents an opportunity to scale Access Intelligence's sales infrastructure across eight countries in Asia. This is an ideal platform for cross-selling opportunities of the Pulsar audience intelligence and social listening platform. APAC is the fastest growing market for social media analytics, with a projected CAGR of 33.2 per cent. between 2019 and 2024, rising from US\$1.4bn to US\$6bn. In contrast to consumer adoption, the Directors believe that Isentia's existing product is underinvested to meet the growing sophistication of marketing communication professionals in the region.

The Enlarged Group's strategy will be to seek to capitalise on its leading position as a provider of SaaS solutions for the PR, communications and marketing industries. The Board of Access Intelligence's strategic vision is to apply technology and insight to transform the relationships between business, media, government and the public through the provision of a next-generation intelligence marketplace.

The Enlarged Group will be able to offer its target market a broader suite of technology products serving the traditional and social media monitoring markets and strong analytic capabilities providing cross-selling and upselling opportunities amongst Isentia's 2,400 customers and Access Intelligence's 3,500 customers with limited cross over between them.

Integration Plan

The Company has developed a comprehensive plan which aims to ensure the success of the Acquisition and the engagement of both businesses in delivering their respective targets. Whilst the intention is to integrate certain functions of the Enlarged Group, as described below, given the geographic locations of both businesses and the regional strength of the Isentia brand, it is the intention to continue to operate as two entities with each respective brand remaining in use but with the opportunity to leverage off each company's expertise and technology product range.

It is the intention that Joanna Arnold, CEO of the Company, will be relocating to Australia for a minimum of twelve months in order to oversee the initial and key stages of integration post Implementation of the Acquisition. The Board has identified a number of areas for integration, with a particular focus on collaborating sales processes, merging key parts of the technology platforms and aligning critical systems and processes, including the automation of a number of Isentia's services and products.

The Company's integration plan includes the establishment of a central integration management office ("IMO"), supported by third party engagement to define best practices, governance and execute the integration plan. The IMO will be governed by a combined board of executives taken from both Isentia and Access Intelligence with additional engagement from Access Intelligence and Isentia's senior management team. The IMO will oversee the four core workstreams:

- Communications and brand
- People and culture
- Value drivers and cost synergies
- Back office support systems

Certain key items identified by the Board that is expected to aid successful integration of the businesses include:

Sales/Product Launch: The Board has identified a number of areas within the existing Isentia product suite and sales systems that can be enhanced and integrated. This includes analysing where there might be gaps within Isentia's existing features and content, alongside mapping Isentia's sales systems and processes. Once complete, the Board will have a greater understanding of the operational efficiencies and changes that can be made to bring these in line with those at Access Intelligence.

Product/Go-to-market: As described in this document, the Board believes that the Pulsar offering will be well received in the APAC region, similarly that Isentia's Insights offering will be additive to Access Intelligence's existing European and US customers and the market as a whole. It is the Board's intention to launch these products in the respective regions during the course of Q4 2021. The launch of these products

in the respective markets will also require building out the product sales and support teams in the respective regions.

The Board believes Isentia's Insights offering can be further enhanced through the inclusion of the Company's Pulsar social listening solution. This integration will enable Isentia to offer a greater depth of audience analysis to existing customers, which the Board believe will aid customer retention, and which will also prove an additive value proposition when originating new business.

Automation: The Board has identified a number of services and products which Isentia offers that the Board intends to automate across research, content, and the order-to-cash (finance) systems.

Research: Automation of key activities in the fabrication of Isentia's Media Insight reporting business, that are currently produced manually, which will also increase the depth and quality offered. The automation plan is forecast to complete within six months of the Acquisition Completing, at which point the Board believes that it will begin to realise annual synergies.

Content: Shortly after the Acquisition, Access Intelligence intends to review Isentia's media feeds (including print, online and broadcasting content) with the intention of rationalising data suppliers across both companies and adopting more automated approaches across the regional data streams within 12 months.

Assuming that the Company successfully automates these services and products, it expects to proceed to develop a combined social listening and media monitoring solution with access to global social and media data, whilst still preserving best-in-class solutions for Media Monitoring with regional content, and the Directors anticipate that this will be complete within 24 months of the Acquisition Completing.

Finance & Order-to-Cash: The Company has also identified a number of back-office processes within Isentia that require updated systems and processes, including within the finance systems, and the order-to-cash process as a whole. As the Company demonstrated in the acquisition of ResponseSource and Pulsar, moving the accounting and finance of Isentia onto the same software will produce a more efficient reporting system that will provide management with enhanced and more granular management information. It is expected that this will be complete within nine months of the Acquisition concluding.

In addition, Access Intelligence believes that there are excellent opportunities to align the approach being taken by the respective sales teams within Isentia and Access Intelligence and the approach to the delivery of client service, cross-selling and up-selling opportunities.

Integration Synergies

On completion of the Acquisition, it is intended that the Enlarged Group will remain headquartered in London. The Directors expect the Enlarged Group to achieve certain immediate synergies pursuant to the Acquisition, including, but not limited to, ASX listing fees, which total approximately AUD\$1.5m which it would expect to be delivered within the first six months of the Acquisition completing. The Board believes that there are further synergies that can be realised as the benefits of the integration plan set out above, including the ongoing automation of Isentia's technology, are delivered.

The Enlarged Group will benefit from corporate level synergies, by structuring the Enlarged Group as a singular listed vehicle as described above. The Board will also look at the opportunities available to create further efficiencies from its data suppliers by negating the need to duplicate providers whilst also accelerating plans to improve automation within the Group, especially amongst regional data streams. The Board anticipates that the Enlarged Group will require a reduced property footprint as automation initiatives are implemented with the Enlarged Group seeking to focus on a key central hub to support the Enlarged Group's client and internal administrative activities.

Finally, given the complementary nature of the Isentia and Access Intelligence product offering and Access Intelligence's experience of the benefits that can be delivered by adding new capabilities into its suite of products, the Board of Access Intelligence also believe that the Acquisition will create possible revenue synergies as it leverages the cross-sell and up-sell of products and new sales across its enlarged customer base.

6. Competition and the Market

Market opportunity

The strategic direction for Access Intelligence is derived from the Board's strong belief that macro business and socioeconomic trends are rapidly changing the communications landscape. These include the fragmentation of traditional media, the exponential take-up of social media and the increasingly direct link that company reputation has with share price performance and customer engagement.

The Board of Access Intelligence believe that the global marketing industry is growing and undergoing rapid transformation that is driven by technology, the proliferation of marketing channels and influencers and the convergence between PR and communications and the broader marketing sector. This is seen most clearly with the exponential growth in social media and content marketing that deploy earned media tactics most in common with traditional PR. Marketing spend in these disciplines increasingly outperforms other tactics leading to 71 per cent. of marketers planning to increase earned media spend compared to owned and paid media. The Board of Access Intelligence believe that companies today need a 'single' live view of who is important to their customers and reputation, including understanding when and how to engage with their customers. This insight is increasingly important to brand strategists who use media, political and influencer insight, monitoring and analysis, not only to define marketing delivery but also to test market messaging and determine returns on investment.

Together, these trends have combined to lead to forecasts that the US\$1.7tn (PWC/Redburn:2019) global marketing industry will increase spend on marketing technology software by 27 per cent. between 2018 and 2022 (Forrester: 2018). In particular, the growth in social media and content marketing is leading to increased spend on social media analytics which according to analysts is expected to grow from US\$3.6 billion in 2020 to US\$15.6 billion in 2025 at a CAGR of 34.1 per cent.

The Group meets this challenge by providing next generation marketing intelligence that improves marketing and communications strategy; reputation management; stakeholder and customer engagement. The Group stays ahead of market change by investing in people and technology to accelerate the development of product and data insights, crucial for marketing and communications decision makers to understand where audiences exist, what content is resonant, and how to manage reputation and maximise brand profile now and in the future.

The Access Intelligence strategy is to integrate technologies with human insights to create a next generation marketing intelligence platform that removes inefficiency and improves the effectiveness of information flows between organisations, government, media and the public. It will power open, real-time communication between a trusted network of opinion leaders from education, business, government, media to influencers who in turn are able to reengage with communities disenfranchised by fake news and spam. The result will be a collaborative communications industry built on trusted insight and an expanding network of connections, new and established.

The leadership team of Access Intelligence believe organisations are challenged by 'information overload' where finding credible, expert information is increasingly difficult as is identifying who is most influential on a topic or to a business.

Market dynamics

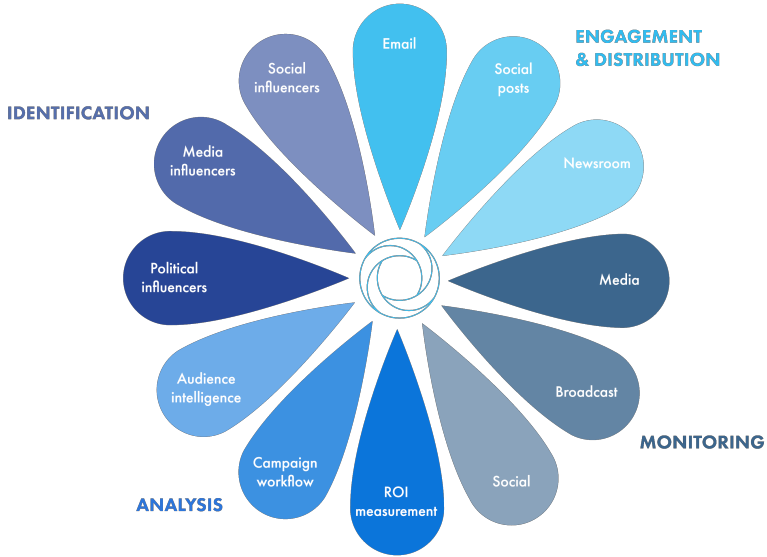
The marketing communications ("marcoms") industry can be attributed to four disciplines of business:

- Earned media – the organic development of positive attention received from external sources;
- Owned media – organic content that is solely controlled by the creator;
- Paid media – exposure gained through payment for access to a platform or space; and
- Shared media – user-generated content and social media.

The Directors believe that the marcoms industry is experiencing strong structural tailwinds, accelerating market growth across all four product disciplines. The application of complex data analytics softwares and the development of nascent methodologies is further converging disciplines. As the marcoms industry sees a converging of disciplines between earned, shared, owned and paid media, so do the estimated market sizes across the sector continue to grow. The global communications software market is expected to grow to US\$10.8bn by 2023 whilst the increasing use of social media is seeing an accelerated growth in the

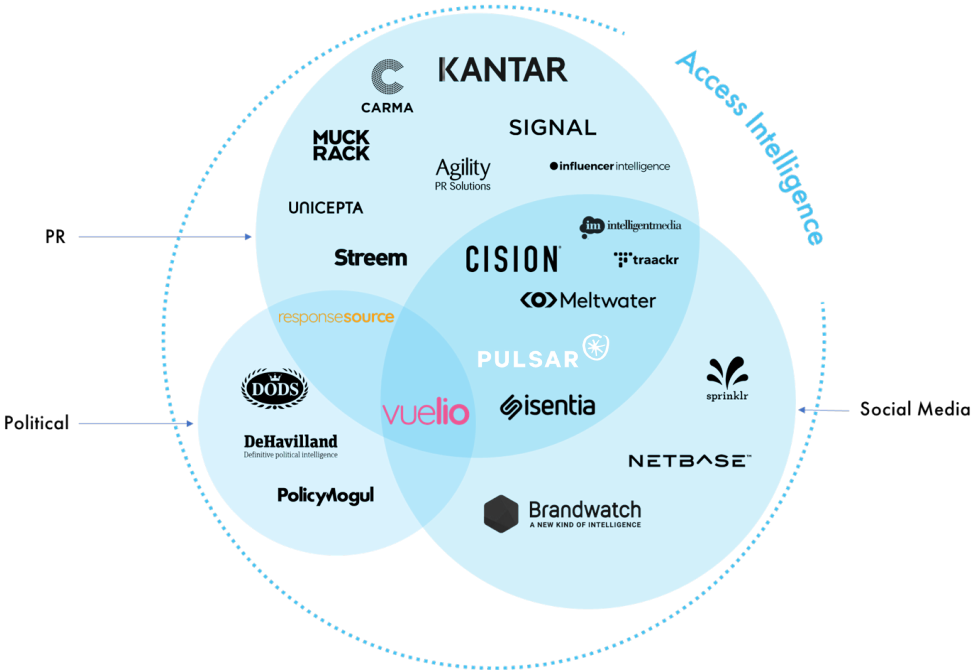
global social media analytics industry software market and is expected to grow from US\$4.7bn in 2019 to US\$19.3bn in 2024. The convergence of earned, shared, owned and paid media is driving demand for more sophisticated and comprehensive analytics solutions designed for untangling the causation and correlation of stories and engagements both online and offline.

To explain the complex relationships between stories and engagements a four part framework involving Identification, Engagement & Distribution, Analysis and Monitoring can be applied. Access Intelligence has broken this down further into twelve product areas which are covered by the Access Intelligence suite of solutions, so as to simplify the varied dynamics and complexity of a customer's requirements.



Competitive landscape

There are a number of competitors that provide technology propositions to the PR, communications and marketing sector but they are typically single point solutions rather than addressing the need of delivering a 360 degree, real time view of reputation. The Access Intelligence leadership team believe its integrated proposition is unique in addressing the reputation, influencer and monitoring needs that organisations will increasingly have. The Board of Access Intelligence believes that the competitive landscape applicable to the Company in these sectors can be shown as follows:



The Company believes that few organisations in the sector have global operations and larger competitors are still receiving a majority of revenue from traditional operations such as press release distribution and print media monitoring. The Board believes that its main competitors across the key geographies in which it operates include, but are not limited to, the following:

Americas: Cision, Meltwater, Sprinklr, Agility, Netbase and Brandwatch.

EMEA: Cision, Kanta, Unicepta, Sprinklr, CARMA, Agility, Netbase, Brandwatch, Dods, DeHavilland and Signal

APAC: Isentia, Meltwater, Cision, Kantar and Stream

The Directors believe that a number of the Group's competitors provide single-point solutions to the PR or marketing industries. Smaller, more local competitors often provide more focused solutions in areas such as political monitoring, stakeholder management or newsroom creation. The Board believes that this single point solution approach fails to meet the increasing demands of the PR and marketing sector and global brands which require a full, real-time view of reputation that spans both disciplines.

7. Summary terms of the Acquisition and the Scheme

It is intended that the Acquisition will be effected by a Court approved scheme of arrangement between Isentia and Isentia Shareholders (other than Excluded Isentia Shareholders) under Part 5.1 of the Corporations Act. The Company has reserved its right to implement the Acquisition by way of a Takeover Offer in certain circumstances if needs be, though this is not the Company's present intention and if this were to occur this would be subject to Australian law considerations.

The purpose of the Scheme is to enable the Company (through its Australian subsidiary Vuelio Australia Pty Limited which is currently intended to act as the bidder for the Acquisition) to become the owner of the whole of the issued share capital of Isentia as at the Scheme Implementation Date (other than any Isentia Shares it owns at that date). The Acquisition is conditional on the Scheme becoming Effective no later than the End Date.

Under the Scheme, the Isentia Shares will be transferred to the Company in consideration for which the Isentia Shareholders (other than Excluded Isentia Shareholders) will receive the cash consideration (details of which are set out below).

The Acquisition will be subject to the satisfaction (or where applicable, waiver) of the Scheme Conditions and certain further terms summarised below and which will be set out in full in the Scheme Booklet.

The Acquisition is conditional, *inter alia*, on:

- approval of the Scheme by Isentia Shareholders (other than Excluded Isentia Shareholders) at the Isentia Shareholder Meeting;
- the passing of the Resolutions numbered 1-3 by Access Intelligence Shareholders at the General Meeting;
- approval of the Court;
- Isentia continuing to operate its business in the ordinary course and no material change to its business occurring between the date of the Scheme Implementation Deed and 8.00am on the Second Court Hearing; and
- the parties' respective warranties being true and correct in all material respects on the date of Scheme Implementation Deed and at 8.00am on the day of the Second Court Hearing.

Pursuant to the Scheme Implementation Deed, should the Resolutions numbered 1-3 not be passed by Access Intelligence Shareholders, Access Intelligence will be obliged to pay to Isentia a break fee of AUD\$500,000.

In addition to and separately from the Scheme, on 15 June 2021 Vuelio Australia Pty Ltd and Spheria Asset Management Pty entered into a share purchase agreement whereby Vuelio Australia Pty Ltd agreed to purchase 39,708,447 fully paid ordinary shares in Isentia Group Limited from Spheria Asset Management

Pty for an aggregate purchase price of AUD\$6,948,978.22. Completion of the sale and purchase is not conditional on Re-Admission and shall occur immediately after the execution of the agreement.

Consideration

Under the terms of the Scheme, Isentia Shareholders (other than Excluded Isentia Shareholders) will be entitled to receive:

AUD\$ 0.175 for each Isentia ordinary share in issue as at the Scheme Record Date

valuing the entire issued and to be issued share capital of Isentia at approximately AUD\$35.6 million (£19.4 million).

The consideration for the Acquisition is being satisfied by part of the proceeds of the Fundraising, details of which are set out in paragraph 9 below. Pursuant to the terms of the Scheme, the consideration for the Acquisition needs to be received in cleared funds by the receiving agents prior to the Scheme Implementation Date. The consideration will be paid to Isentia Shareholders (other than Excluded Isentia Shareholders) on the Scheme Implementation Date.

As the Acquisition will see the Company acquire the Isentia Group, the Acquisition also means that the Company will acquire the Isentia Group's existing senior debt and other indebtedness. The Company will procure the repayment of Isentia's senior debt and other indebtedness as soon as is practicable following Implementation of the Acquisition which it intends to do out of the proceeds from the Fundraising.

Australian court process for the Scheme

First Court Hearing

At the First Court Hearing, Isentia will apply to the Court for an order approving the Isentia Shareholder Meeting to be held.

Isentia Shareholder Meeting

At the Isentia Shareholder Meeting, Isentia Shareholders (other than Excluded Isentia Shareholders) will be asked to consider and vote in favour of the Scheme.

The Scheme will only be binding upon Isentia Shareholders (other than Excluded Isentia Shareholders) if the resolution is passed by:

- a majority in number of Isentia Shareholders in that class, present and voting either in person or by proxy; and
- 75 per cent. of the total number of votes cast by the Isentia Shareholders in that class, present and voting either in person or by proxy.

It is presently envisaged that there will only be one class of Isentia Shareholder. If either of the limbs above is not satisfied, the Scheme will fail. However, the Court has the power to dispense with the first limb.

Second Court Hearing

Even if Isentia Shareholder approval for the Scheme is obtained at the Isentia Shareholder Meeting and all other conditions relating to the Scheme have been satisfied or waived, the Scheme can only become binding if it receives approval from the Court at the Second Court Hearing.

The Court has a general discretion whether to approve the Scheme. In deciding whether to approve the Scheme, the Court must satisfy itself, among other things, that:

- the Scheme has been approved by the requisite majority of properly informed Isentia Shareholders;
- the majority of Isentia Shareholders have acted in good faith and not in pursuit of some illegitimate purpose; and
- the Scheme is sufficiently fair and reasonable that an intelligent and honest person, acting alone in respect of their interests as a shareholder, might approve the scheme; and either:

- ASIC has issued a letter stating that it has no objection to the scheme; or
- if ASIC does not issue a no objection letter, the Scheme has not been proposed for the purpose of any person avoiding the operation of any of the takeover provisions in the Corporations Act.

If the Court satisfies itself in respect of the necessary considerations (summarised above), an order approving the Scheme will be issued.

Scheme becoming Effective

The Scheme will become Effective and will be binding on Isentia and Isentia Shareholders once a copy of the court order approving the Scheme is lodged with the Australian regulator, ASIC.

Implementation

Between the Effective Date and the Implementation Date, Isentia will close the Isentia Share Register and ascertain which Isentia Shareholders (other than Excluded Isentia Shareholders) are registered as such as at the Scheme Record Date.

On the Implementation Date, provided the Scheme Consideration has been received in accordance with the terms of the Scheme:

- all of the Isentia Shares other than those held by Access Intelligence will be transferred to Access Intelligence; and
- the Scheme Consideration will be delivered to Isentia Shareholders (other than Excluded Isentia Shareholders) registered as such as at the Scheme Record Date.

Delisting from the ASX

Following Implementation of the Scheme, Isentia will, at the direction of Access Intelligence, apply for the termination of the official quotation of Isentia Shares on the ASX and for Isentia to be removed from the official list of the ASX, each to occur on a date after the Implementation Date to be determined by Access Intelligence.

General

The Scheme will be governed by the laws of New South Wales, Australia and will be subject to the non-exclusive jurisdiction of the courts of New South Wales, Australia.

8. Details of the Fundraising and Use of Proceeds

The Fundraising

Under the terms of the Placing Agreement, finnCap has conditionally placed 39,847,658 Placing Shares at the Placing Price by way of a non-pre-emptive placing to institutional and other investors. The Placing is expected to raise gross proceeds of approximately £47.8m, before expenses.

In addition to this, the Company has entered into the Subscription Letter pursuant to which 1,819,009 Subscription Shares have been subscribed for at the Placing Price. The Subscription is expected to raise gross proceeds of approximately £2.2m, before expenses.

The aggregate gross proceeds of the Fundraising are expected to be £50.0m, before expenses.

The Placing Price of 120 pence per Fundraising Share represents a discount of approximately 10.8 per cent. to the closing mid-market price of 134.5 pence Ordinary Share on 11 June 2021, being the latest practicable date prior to the publication of this document. The Fundraising Shares will, in aggregate, represent approximately 32.5 per cent. of the Enlarged Issued Share Capital following Fundraising Admission (excluding the 2,966,666 Ordinary Shares held in treasury and assuming full take up under the Retail Offer). The Fundraising Shares will be issued credited as fully paid and will be identical to and will rank *pari passu* in all respects with the Existing Ordinary Shares, including the right to receive all future distributions, declared, paid or made in respect of the Ordinary Shares following the date of Fundraising Admission. Neither the Placing nor the Subscription are being underwritten.

As noted above, pursuant to the requirements of an acquisition by way of a scheme of arrangement in Australia, the consideration for the Acquisition needs to be received by the receiving agent before the Scheme Implementation Date. Therefore, Fundraising Admission will occur after the Effective Date but approximately six Business Days before the Acquisition completes on the Scheme Implementation Date. Nevertheless, if the Scheme is approved at the Second Court Hearing, there will be no conditions to the Acquisition remaining other than the payment of the consideration to the Isentia Shareholders which occurs on the Scheme Implementation Date.

Application will be made to the London Stock Exchange for the Fundraising Shares to be admitted to trading on AIM. It is expected that Fundraising Admission will become effective in respect of, and that dealings in the Fundraising Shares on AIM will commence at 8.00 a.m. on 23 August 2021.

The Placing is conditional, among other things, upon:

- (i) the Resolutions to be proposed at the General Meeting being passed without amendment;
- (ii) as at 8.00 a.m. on the date of the Second Court Hearing, the Scheme of Arrangement becoming unconditional;
- (iii) compliance by the Company in all material respects with its obligations under the Placing Agreement;
- (iv) the Subscription becoming unconditional; and
- (v) Fundraising Admission becoming effective on or before 23 August 2021 or such later date as the Company and finnCap may agree but in any event not later than 15 December 2021.

The Subscription Letter is conditional, *inter alia*, upon, the passing of the Resolutions without amendment, the Placing becoming unconditional and Fundraising Admission taking place on or before 23 August 2021 or such later date as the Company and finnCap may agree but in any event not later than 15 December 2021.

The Placing Agreement contains customary warranties given by the Company and the Directors to finnCap as to matters relating to the Enlarged Group and its business and a customary indemnity given by the Company to finnCap in respect of liabilities arising out of or in connection with the Proposals. In consideration for the services provided by finnCap under the Placing Agreement, the Company will pay to finnCap a fee and a commission. finnCap is entitled to terminate the Placing Agreement in certain limited circumstances prior to Fundraising Admission, including circumstances where any of the warranties are found to be materially untrue, inaccurate or misleading or the occurrence of certain force majeure events.

The Fundraising Shares are not being made available to the public and are not being offered or sold in any jurisdiction where it would be unlawful to do so.

Further details of the Placing Agreement and the Subscription Letter are set out in paragraphs 11.2 and 11.6 of Part VI of this document.

Use of proceeds

The net proceeds of the Fundraising of approximately £46.5m will be used as follows:

- Approximately £19.4m will be used to pay the Acquisition consideration payable to Isentia's shareholder under the terms of the Acquisition;
- Approximately £24.4 will be used to repay all of the outstanding drawn down debt within Isentia as at the date of Implementation which is estimated to be approximately AUD\$44.8m;
- Approximately £1.6 million will be used to repay the CBILs facility, entered into in December 2020 as following the Acquisition the Company will no longer be eligible for the CBILs scheme; and
- the remaining balance will be used to provide additional working capital for the Enlarged Group.

Given the period of time between the signing of the Scheme Implementation Deed and the Scheme Implementation Date, the Company is putting in place a hedging facility as the Acquisition consideration and the repayment of Isentia's indebtedness is in Australian dollars and the Fundraising is in pound sterling.

9. The Retail Offer

The Retail Offer is being arranged by PrimaryBid through the PrimaryBid platform (<https://primarybid.com>) and the other terms and conditions of the Retail Offer will be made available to Retail Offerees on the PrimaryBid platform. The maximum amount (before expenses) which may be raised pursuant to the Retail Offer will be £2.0 million (before expenses). All information provided in relation to the Retail Offer in this admission document is for information purposes only and Retail Offerees are being provided with a separate document setting out the terms of the Retail Offer.

The Retail Offer may raise up to approximately £2.0 million (before commission and expenses). The Retail Offer is not conditional on the Fundraising or the Acquisition and is being undertaken to facilitate potential retail participation in the Company. The new Ordinary Shares to be issued under the Retail Offer will represent approximately 1.9 per cent. of the enlarged share capital on Retail Offer Admission, assuming maximum take-up under the Retail Offer and excluding the 2,966,666 Ordinary Shares held in treasury. The new Ordinary Shares will be issued credited as fully paid and will, when issued, rank *pari passu* in all respects with the Existing Ordinary Shares, including the right to receive all dividends and other distributions declared paid or made after Retail Offer Admission. The Retail Offer Shares are being issued under the Company's existing authorities granted at the Company's Annual General Meeting held on 13 May 2021 and it is expected that the Retail Offer Admission will occur on 21 June 2021.

The proceeds of the Retail Offer will be used for working capital purposes for the Company.

10. Directors and Key Management

Directors

The current Board of Access Intelligence will remain as the directors of the Enlarged Group.

Christopher James Satterthwaite, age 65, *Independent Non-Executive Chairman*

Christopher spent 15 years as chief executive at Chime Communications where he remains an adviser. Christopher was CEO of Howell Henry Chaldecott & Lury, a London based advertising agency before it's sale to Chime in 1998. He was CEO of IMP Limited from 1990 to 1993.

He was also the senior non-executive director at Centaur Media plc and former Chairman of the Marketing Society and The Roundhouse. He became a CBE in 2017 for services to the arts. Christopher holds an M.A. in Modern History from the University of Oxford.

Margarite Joanna Arnold, age 39, *Chief Executive Officer*

Joanna Arnold joined Access Intelligence in December 2010 where she began as COO, then subsequently became CEO in May 2014. Since that time, she has completed four acquisitions and four equity fundraisings.

Prior to joining Access Intelligence, Joanna was an Investment Manager at Elderstreet Investments Ltd specialising in technology. She was previously an analyst at European Credit Management, a large European hedge fund specialising in high yield leveraged loans where she qualified as a Chartered Financial Analyst.

Mark Stephen Fautley, age 39, *Chief Financial Officer*

Mark was appointed CFO in August 2017, having joined Access Intelligence through an acquisition in 2015 where he was previously the UK Finance Director. Mark has more than 15 years' experience of managing local and international finance teams in the Technology and Media sectors and has held senior finance roles for SaaS businesses focusing on communications, public affairs and stakeholder engagement for a number of years.

Mark has been employed by or delivered consulting engagements for a number of FTSE 100 and AIM businesses, including three years working in a senior finance role for a US\$2.5 billion revenue joint venture of Rolls-Royce plc. He has worked on the ground in 17 countries across Europe, Latin America and Asia, and has experience in M&A and other corporate finance activities.

Mark qualified as a Chartered Accountant in 2006 and is a Fellow of the Institute of Chartered Accountants in England and Wales (FCA).

Christopher Charles Pilling, age 54, *Independent Non-Executive Director*

Chris Pilling joined Access Intelligence as Non-Executive director in August 2015.

Chris was the Co-founder and Chief Executive Officer of Complinet Limited which specialised in governance risk and compliance software and data provision. He is CEO and Founder of Matchdeck Limited and also sits on the advisory boards of Avoco Secure Limited and Behavox Limited.

Sarah Bibi Vawda, age 55, *Independent Non-Executive Director*

Sarah Vawda joined Access Intelligence as Non-Executive Director in March 2021.

Sarah is a highly experienced executive and non-executive director, with expertise across corporate strategy, M&A, finance, corporate governance and corporate development. Sarah's experience has been gained across multiple industries on a global basis in both private and public companies.

Sarah started her career qualifying as a chartered accountant at PwC before moving into senior M&A and corporate development roles within multinational organisations. She has held senior roles within several companies including Powergen Plc, Corus Group plc, Christian Salvesen plc and Provimi SA. More recently, Sarah has pursued a portfolio career advising large listed and PE backed companies on their strategic, transformation and M&A agenda and is currently Corporate Development Director for Johnson Matthey plc.

Sarah is also currently non-executive director of a Danish specialty protein business, Hamlet Protein, and an Indian animal feed business Noveltech Feeds, as well as being a Trustee and Audit Committee Chair of The Girls Network, a charity that provides mentoring to girls from disadvantaged backgrounds.

Katie Ellen Puris, age 48, *Independent Non-Executive Director*

Katie Puris joined Access Intelligence as a Non-Executive Director in June 2021.

Katie is the Managing Director of Global Business Marketing for TikTok, where she leads a creative marketing team and drives awareness of TikTok's innovative digital marketing solutions that give brands and marketers the tools to be creative storytellers and challenge the status quo. Prior to TikTok, Katie spent 20 years in leadership roles at Facebook, Google and BBDO, building partnerships with the world's leading brands and agencies. Katie serves on the board of two education-based non-profits – the Windward School, supporting children with learning disabilities, and Hudson Link, providing higher education to incarcerated men and women.

Key Management

Following completion of the Acquisition, key management upon Re-Admission at the date of this document is expected to comprise:

Edward John Harrison, age 48, *Isentia Executive Management*

Ed has over 25 years' experience across many types of media including print, outdoor and digital in Australia, New Zealand and the United Kingdom. Ed came to Australia in 2001 to set up JC Decaux's business in Victoria and South Australia. From 2003 to 2008, he was General Manager (Australia) of JC Decaux, the world's largest out-of-home advertising company, as it established a dominant position in Australian street furniture.

Ed then joined Fairfax Digital, a leading provider of online news, information and classified websites. As Group Sales Director at Fairfax Media, Ed was responsible for sales operations across 300 newspaper, magazine and digital brands with a diverse customer base and combined revenue of \$500m.

From 2014 to June 2018, Ed was the CEO of Yahoo7, a joint venture between Seven West Media and Verizon, which delivered digital media products and original content to over nine million monthly users. Ed joined Isentia as Chief Executive Officer and Managing Director on 6 August 2018.

Peter Thomas McClelland, age 52, *Isentia Executive Management*

Peter is an experienced CFO and COO with a strong track record in leading strategy and change in Australia, Asia and South Africa. He has expertise in business development, M&A, company performance and leadership from a range of industry sectors, including leading media and retail companies. He was previously

CFO and COO at leading out-of-home advertising company, oOh! Media, where he was instrumental in building the scale and diversity of the business, ahead of its ASX listing process.

Prior to this role, Mr. McClelland was Chief Financial and Administration Officer for Asia Pacific and South Africa at Luxottica, the world's largest manufacturer, wholesaler and retailer of optical and sunglass products. Most recently, he was CFO at Velocity Frequent Flyer.

Thomas George John Golding, age 50, *Chief Operating Officer*

Tom Golding joined Access Intelligence as COO in January 2021. Before joining Access Intelligence, Tom was a managing director at the software and data analytics business, Accuity. After two years, Tom moved into the role of COO where his main responsibilities were the building of a new leadership team tasked with the implementation of a new payment solution and the strategic planning behind growing the business.

Prior to his civilian career, Tom was a Captain in the British Army and holds an MBA from Warwick Business School.

11. Director Participation and Related Party Transactions

The following Directors will subscribe for an aggregate of 62,499 Placing Shares as set out below:

<i>Name</i>	<i>Role</i>	<i>Existing Shareholding</i>	<i>Existing Shareholding %</i>	<i>Number of Placing Shares subscribed for in the Placing</i>	<i>Resultant shareholding</i>	<i>Resultant shareholding*</i>
Mark Fautley	CFO	62,828	0.07%	8,333	71,161	0.06%
Christopher Satterthwaite	Chairman	77,632	0.09%	12,500	90,132	0.07%
Chris Pilling	Non-Executive Director	25,000	0.03%	25,000	50,000	0.04%
Sarah Vawda*	Non-Executive Director	nil	nil	16,666	16,666	0.01%

*Shares held by Vawda Associates, a company wholly owned by Sarah Vawda

*Assumes full take up of the Retail Offer Shares under the Retail Offer and excludes the 2,966,666 Ordinary Shares held in treasury.

Kestrel Partners LLP (“Kestrel”) and Canaccord Genuity Group Inc (“Canaccord”) have agreed to subscribe for Placing Shares pursuant to the Placing. Kestrel and Canaccord are both related parties of the Company for the purposes of the AIM Rules by virtue of their status as substantial shareholders holding 10 per cent. or more of the Existing Ordinary Shares. The Board consider, having consulted with the Company’s nominated adviser, finnCap, that the terms upon which Kestrel and Canaccord are participating in the Placing are fair and reasonable insofar as the Company’s shareholders are concerned.

In addition, the issue of Placing Shares to the Participating Directors constitutes a related party transaction pursuant to Rule 13 of the AIM Rules by virtue of their status as Directors of the Company. Joanna Arnold and Katie Puris being the independent directors for this purpose, consider, having consulted with the Company’s nominated adviser, finnCap, that the terms of the Placing with the Participating Directors are fair and reasonable insofar as the Company’s shareholders are concerned.

12. Irrevocable Undertakings and Letters of Intent

The Company has received the following irrevocable undertakings from the following Directors and certain other Shareholders to vote in favour of the Resolutions in respect of the following number of Ordinary Shares:

<i>Name</i>	<i>Number of Ordinary Shares</i>	<i>% of voting rights</i>
Christopher Satterthwaite	77,632	0.09%
Joanna Arnold	745,538	0.88%
Mark Fautley	62,828	0.07%
Chris Pilling	25,000	0.03%
Kestrel Partners LLP	21,447,433	25.33%
Gresham House Asset Management Limited	6,258,572	7.39%
Chelverton Asset Management	5,791,327	6.84%

In addition the Company has received non-binding letters of intent to vote in favour of the Resolutions in respect of 27,499,077 Ordinary Shares.

In aggregate, therefore, the Company has irrevocable undertakings and non-binding letters of intent to vote in favour of the Resolutions in respect of 61,907,407 Ordinary Shares representing approximately 73.1 per cent of the Issued Share Capital.

13. Share Option Scheme and Long-Term Value Creation Plan

The Board believes that the Company's success is highly dependent on the quality and loyalty of the current and future directors and employees of the Group. To assist in the recruitment, retention and motivation of high-quality directors and employees as necessary, the Company must have an effective remuneration strategy. The Board considers that an important part of this remuneration strategy is the ability to award equity incentives.

The Company currently has in place the Share Option Scheme under which it has granted both EMI Options and NTA Options. On Re-Admission, Options will be outstanding over a total of 5,820,399 Ordinary Shares, of which 2,000,000 Options will be held by Directors. Details of Options granted to the Directors under the Share Option Scheme are included at paragraph 7.1.2 of Part VI of this document. Further details of the Share Option Scheme are set out in paragraph 12 of Part VI of this document.

The Board intends to put in place the Long-Term Value Creation Plan following Implementation of the Acquisition. The Long-Term Value Creation Plan is intended to assist with the retention and motivation of key employees of the Enlarged Group with the aim of incentivizing and rewarding exceptional levels of performance over a four year period. The Long-Term Value Creation Plan will provide the potential for rewards for executive directors only if shareholders benefit from sustained share price growth over a four year period. Further details of the Long-Term Value Creation Plan are set out in paragraph 12.2 of Part VI of this document.

Following Re-Admission, further Options may be granted to Directors and employees in accordance with the Group's remuneration policies from time to time. The total number of Options issued pursuant to the existing Share Option Scheme will not exceed 10 per cent. of the fully diluted share capital of the Company. Details of the dilution limits under the Long-Term Value Creation Plan are set out in paragraph 12.2 of Part VI of this document.

14. New Articles

The Company proposes to take advantage of the opportunity offered by its Re-Admission to modernise its constitution and adopt new articles of association which take full advantage of the Act and reflect modern practice.

The material differences between the Existing Articles and the proposed New Articles to be approved at the General Meeting are summarised below. Changes of a minor, conforming or purely technical nature have not been mentioned specifically.

Enabling the Company to communicate with Shareholders by electronic and/or website communications

The Act contains provisions relating to electronic communications between companies and their shareholders. The provisions enable companies to use electronic communications with shareholders as the default position by placing documents on a website unless shareholders specifically elect to receive hard copies. Shareholders may elect for all or any communications to be sent to them via email rather than receiving documents in hard copy form and shareholders may communicate with the Company by electronic means where the company has given an electronic address in a notice calling a meeting or in an instrument of proxy. The New Articles will allow the Company to use these provisions and permit notice of general meetings, proxies and documents to be delivered using modern electronic means. The New Articles will also allow Directors' meetings to make use of electronic communications.

Allowing the directors to authorise conflicts or potential conflicts of interest, where appropriate

The Act sets out directors' general duties which largely codify the existing law albeit with some changes. Under the Act, a director must avoid a situation where he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the company's interests. The requirement is very broad and could apply, for example, if a director is appointed to the board of another company or becomes a trustee of another organisation. The Act allows directors of public companies to authorise conflicts and potential conflicts, where appropriate, provided the articles of association contain a provision to this effect. The Act also allows the articles to contain other provisions for dealing with directors' conflicts of interest to avoid a breach of duty. The New Articles will give the Directors authority to approve such situations and to include other provisions to allow conflicts of interest to be dealt with in a similar way to the current position.

There are safeguards that will apply when directors decide whether to authorise a conflict or potential conflict. First, only Directors who have no interest in the matter being considered will be able to take the relevant decision, and secondly, in taking the decision the directors must act in a way they consider, in good faith, will be most likely to promote the company's success. The Directors will be able to impose limits or conditions when giving authorisation if they think this is appropriate.

It is the Board's intention to report annually on the Company's procedures for ensuring that the Board's powers of authorisation of conflicts are operated effectively and that the required procedures have been followed.

Disclosing of interests in shares

The provisions relating to the disclosure of interests in shares contained in the Companies Act 1985, including Section 212 on company investigation powers, were repealed some time ago. Section 793 and related sections in Part 22 of the Act, which contain the corresponding company investigation powers previously contained in Section 212, have been brought into force and accordingly the New Articles reflect these changes.

There are also a number of more straightforward updates including the following:

- removing the chairman's casting vote in the case of an equality of votes at a meeting of the Shareholders (this is incompatible with the Act);
- reducing the minimum notice period for calling an extraordinary general meeting from 21 clear days to 14 clear days;
- all shareholder meetings other than the annual general meeting will henceforth be called general meetings; and
- enabling proxies to vote on a show of hands, as well as on a poll as currently provided for and to allow multiple proxies to be appointed.

Copies of the New Articles will be available for inspection at www.AccessIntelligence.com. Copies will also be available at the General Meeting from at least 15 minutes prior to the meeting commencing until its conclusion.

15. Corporate Governance and Internal Controls

Following Re-Admission, the Board will continue to comprise two executive directors and four non-executive directors all of whom are deemed independent. The Company is not required to comply with the provisions of the UK Corporate Governance Code. However, the Directors recognise the importance of sound corporate governance and currently comply with the QCA Corporate Governance Code, which they believe is appropriate for a company with shares admitted to trading on AIM. In particular, the Directors will be responsible for overseeing the effectiveness of the internal controls of the Company designed to ensure that proper accounting records are maintained, and that the financial information on which business decisions are made and which is issued for publication is reliable and that the assets of the Company are safeguarded.

The Company holds regular board meetings throughout the year at which reports relating to the Group's operations, together with financial reports, will be considered. The Board is responsible for formulating, approving and reviewing the Group's strategy, budgets, major items of expenditure and senior personnel appointments.

The Company has established an audit committee and a remuneration committee, each with formally delegated duties and responsibilities.

The Audit Committee

The Company has established an audit committee, which following Re-Admission will comprise S Vawda and C Satterthwaite, and is chaired by S Vawda. It is expected to meet at appropriate intervals in the financial reporting and audit cycle and otherwise as required. All members of the Audit Committee shall be non-executive directors.

The Audit Committee's mandate includes, among other duties and responsibilities: monitoring the financial reporting process and systems of internal control; monitoring the independence and performance of the external auditors; and, reviewing internal and year-end financial statements and other legal and regulatory filings for approval by the Board.

The Remuneration Committee

The Company has established a remuneration committee, which following Re-Admission will comprise C Pilling and C Satterthwaite, and is chaired by C Pilling. All members of the Remuneration Committee shall be non-executive directors.

The Remuneration Committee's mandate is to set the over-arching principles, parameters and governance framework of the Company's remuneration policy and the remuneration of senior executives.

Share dealing code

The Company has adopted a code for dealings in Shares which is appropriate for an AIM company, in compliance with Rule 21 of the AIM Rules for Companies and with the Market Abuse Regulation.

16. The City Code

The City Code is issued and administered by the Takeover Panel. As the Company is incorporated in the UK and the Shares will be admitted to trading on AIM, the Company is a company to which the City Code applies and, as such, its Shareholders are entitled to the protections afforded by the City Code. The City Code operates principally to ensure that the shareholders of a company are treated fairly and are not denied an opportunity to decide on the merits of a takeover. The City Code also provides an orderly framework in which takeovers are conducted.

Under Rule 9 of the City Code, when:

- (a) any person acquires, whether by a series of transactions over a period of time or not, an interest in shares which (taken together with shares in which he is already interested and in which persons acting in concert with him are interested) carry 30 per cent. or more of the voting rights of a company subject to the City Code; or
- (b) any person, together with persons acting in concert with him, is interested in shares which in the aggregate carry not less than 30 per cent. of the voting rights of a company but does not hold shares

carrying more than 50 per cent. of such voting rights and such person, or any person acting in concert with him, acquires an interest in any other shares which increases the percentage of shares carrying voting rights in which he is interested,

such a person is normally required to make a general offer in cash to all the remaining holders of any class of equity share capital whether voting or non-voting and also to the holders of any other class of transferable securities carrying voting rights.

An offer under Rule 9 must be in cash and at the highest price paid by the person required to make the offer, or any persons acting in concert with him, for any interest in shares in the company during the 12 months preceding the date of announcement of such offer.

Further information on the provisions of the City Code can be found in paragraph 6 of Part VI of this document.

17. Dividend Policy

The Company is primarily seeking to achieve capital growth for its Shareholders. At present the focus of the Group will be on the ongoing investment in developing the Group's products and therefore it is unlikely that the Company will pay a dividend in the near term. However, the Directors recognise the importance of dividends to investors in the long run and therefore will continue to monitor the Enlarged Group's progress so as to commence the payment of dividends when it becomes commercially viable to do so, subject to the working capital requirements of the Company and the availability of distributable funds and will adopt a progressive but prudent dividend policy thereafter.

18. Taxation

Information regarding United Kingdom taxation is set out in paragraph 14 of Part VI of this document. These details are, however, intended only as a general guide to the current tax position under UK taxation law. Shareholders who are in any doubt as to their tax position or who are subject to tax in jurisdictions other than the UK are strongly advised to consult their own independent financial adviser immediately.

19. CREST

As is the case with the Existing Ordinary Shares, the Enlarged Share Capital will continue to be enabled for settlement in CREST on the date of Re-Admission. Accordingly, settlement of transactions in the Shares following Re-Admission may take place within CREST if Shareholders so wish.

CREST is a paperless settlement system enabling securities to be evidenced otherwise than by certificate and transferred otherwise than by written instrument in accordance with the CREST Regulations. The Articles permit the holding of Ordinary Shares in uncertificated form in accordance with the CREST Regulations. CREST is a voluntary system and holders of Ordinary Shares who wish to receive and retain share certificates will be able to do so.

20. General Meeting

A notice convening a General Meeting of the Company, to be held at 10.00 a.m. on 9 July 2021 in Part VIII is set out at the end of this document.

At that meeting a resolution will be proposed in order to obtain Shareholder approval for the Acquisition. In addition, resolutions will be proposed at the General Meeting granting powers to allot shares and disapply pre-emption rights as well as seeking to adopt the New Articles. Further details of the Resolutions are set out below:

Resolution 1 – approval of the Acquisition

Resolution 1 is an ordinary resolution to approve the Acquisition. As the Acquisition constitutes a reverse takeover under the AIM Rules for Companies, Shareholder approval is required under the AIM Rules for Companies. Resolution 1 is subject to and conditional upon the passing of Resolutions 2 and 3.

Resolution 2 – authority to allot shares

Resolution 2 is an ordinary resolution to authorise the Directors under Section 551 of the Act to issue and allot shares. The Act requires that the authority of Directors to allot shares and to make offers or agreements to allot shares in the Company or grant rights to subscribe for or convert any security into shares (“relevant securities”) should be subject to the approval of Shareholders in a general meeting or to an authority set out in the Articles. Accordingly, and conditional upon the passing of Resolution 1, Resolution 2 will be proposed to authorise the Directors to allot relevant securities in respect of the issue of (i) the Fundraising Shares and (ii) otherwise up to a total nominal value of £2,133,554 representing 42,671,061 new Ordinary Shares (being approximately one third of the Enlarged Issued Share Capital). Such authority will expire 12 months after the passing of the Resolution.

Resolution 3 – disapplication of statutory pre-emption rights

Resolution 3 is a special resolution to disapply statutory pre-emption rights under Section 571 of the Act in respect of equity securities (as defined in section 560 of the Act). The Act requires that any equity shares issued wholly for cash must be offered to existing Shareholders in proportion to their existing shareholdings unless otherwise approved by Shareholders in general meeting or accepted under the Articles. Conditional upon the passing of Resolutions 1 and 2, a special resolution will be proposed at the General Meeting to give the Director’s authority to allot equity securities for cash other than on a *pro rata* in respect of the issue of (i) the Fundraising Shares and (ii) otherwise up to a total nominal value of £640,066 representing 12,801,318 new Ordinary Shares (being approximately 10 per cent. of the Enlarged Issued Share Capital). Such authority will expire 12 months after the passing of the Resolution.

Resolution 4 – adoption of new articles

Resolution 4 is a special resolution to adopt the New Articles.

The issue of the Fundraising Shares and completion of the Acquisition are conditional, among other things, on Shareholders passing the appropriate Resolutions being proposed at the General Meeting. If Shareholders do not pass the appropriate Resolutions, the Proposals will not proceed.

Should shareholder approval for the Acquisition not be granted and accordingly the Acquisition does not proceed to Implementation, pursuant to the Scheme Implementation Deed, Access intelligence will be obliged to pay to Isentia a break fee of AUD\$ 500,000.

21. Risk Factors

Certain risk factors in relation to the Company and its business are brought to your attention in Part II of this document.

22. Action to be taken

Shareholders will find enclosed with this document a Form of Proxy for use at the General Meeting. Whether or not you intend to be present at the General Meeting you are requested to complete, sign and return the Form of Proxy to the Company’s registrars, Neville Registrars Limited, Neville House, Steelpark Road, Halesowen B62 8HD as soon as possible but, in any event, so as to arrive by no later than 10.00 a.m. on 7 July 2021. The completion and return of a Form of Proxy will not preclude you from attending the meeting and voting in person should you wish to do so.

23. Recommendation and Voting Intentions

The Directors consider that the Proposals are in the best interests of the Company and Shareholders as a whole. Accordingly, the Directors recommend that you vote in favour of the Resolutions at the General Meeting as they have irrevocably committed to do so in respect of their own beneficial holdings amounting, in aggregate, to 910,998 Existing Ordinary Shares, representing approximately 1.1 per cent. of the Issued Share Capital.

24. Further Information

Your attention is drawn to the remaining parts of this document which contain further information on the Enlarged Group and the Acquisition. In particular, your attention is drawn to the Risk Factors set out in Part II of this document.

Yours faithfully

Christopher Satterthwaite

Non-Executive Chairman

PART II

RISK FACTORS

This document contains forward-looking statements, which have been made after due and careful enquiry and are based on the Directors' current expectations and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. These forward-looking statements are subject to, *inter alia*, the risk factors described in this Part II. The Directors believe that the expectations reflected in these statements are reasonable, but they may be affected by a number of variables which could cause actual results or trends to differ materially. Each forward-looking statement speaks only as of the date of the particular statement.

Factors that might cause a difference include, but are not limited to, those discussed in this Part II. Given these uncertainties, prospective investors are cautioned not to place any undue reliance on such forward looking statements. The Company disclaims any obligation to update any such forward looking statements in the document to reflect future events or developments.

Prior to making an investment decision in respect of the Ordinary Shares, prospective investors should consider carefully all of the information within this document, including the risk factors set out in this Part II. The Directors believe these risks to be the most significant for potential investors.

However, the risks listed do not necessarily comprise all those associated with an investment in the Company. In particular, the Enlarged Group's performance may be affected by changes in market or economic conditions and in legal, regulatory and/or tax requirements. The risks listed are not set out in any particular order of priority.

If any of the following risks were to materialise, the Enlarged Group's business, financial condition, results or future operations could be materially and adversely affected. In such cases, the market price of the Ordinary Shares could decline, and an investor may lose part or all of his investment. Additional risks and uncertainties not presently known to the Directors or which the Directors currently deem immaterial, may also have an adverse effect upon the Enlarged Group and the information set out below does not purport to be an exhaustive summary of the risks affecting the Enlarged Group.

RISKS RELATING TO THE ENLARGED GROUP'S BUSINESS

Copyright laws

In parts of the Enlarged Group's business, it uses and supplies whole or parts of third party published materials to its customers. Such material is often typically protected by copyright owned by third parties. The business of the Enlarged Group is therefore largely dependent on holding and maintaining licences to copyright material, on terms which allow the business to provide that copyright material to its customers.

The Isentia Group has licenses in place for the major mastheads in Australia, either through the collecting society, Copyright Agency Limited ("CAL") or directly with publishers. If not required, the Isentia Group does not have written agreements or copyright licences in place with smaller social media platforms, blogs or forums. The Isentia Group sources such content through web scraping/crawling either by using its own crawlers (which are currently managed by a third party, Ninestars) or a third party service (Webhose and Opoint). The Isentia Group also uses other data and content which is not necessarily covered by specific licence agreements.

A number of the Enlarged Group's content licenses are able to be terminated by the counterparty for convenience or otherwise on short notice. If any of the content licences terminate and the Enlarged Group no longer has permission to make copies of relevant copyrighted material, and to make those copies available to its customers, this will impact the Enlarged Group's business model.

Furthermore, to the extent the Enlarged Group uses in its business content protected by copyright in circumstances where the Enlarged Group has not obtained appropriate permissions or licenses to use,

there is a risk that third party owners of copyright works could bring claims of copyright infringement against the Enlarged Group.

The Enlarged Group has in place certain web crawler agreements. However, these may not necessarily contain consents from the copyright right holders or grant licenses for the use and communication of the third party material and acknowledge that third party content is contained in the data provided. The agreements provide no warranties including in respect of legality, non-infringement, offensiveness, ownership and content or the right to use such third party content, and it is unclear whether any scraping licences would provide any protection. As such the web crawler agreements provide no “back to back” protection to the Enlarged Group in the event of a third party copyright claim.

The Enlarged Group will be required to comply with copyright laws and policies associated with the use of copyrighted material in Australia, including the Copyright Act 1968 (Cth) (Australia) (the “**Australian Copyright Act**”). Such laws and policies may change or be updated from time to time. Generally speaking, use of copyright material in Australia is permitted if a user obtains permission from copyright rights holders, such as through a licence, or if such use falls within a “fair dealing” exception under the Australian Copyright Act.

Pending Copyright Tribunal Decision regarding the Copyright Agency Limited Licence in Australia

Copyright Agency Limited (“CAL”) is one of the primary collecting societies for copyright works in Australia, and acts as an agent for copyright holders through its arrangement with CopyCo Pty Ltd (“CopyCo”) to license certain copyright works to parties for authorised use. The licence agreement with CAL is a key copyright licence held by the Isentia Group in Australia. The CAL licence agreement is the subject of ongoing proceedings in Australia’s Copyright Tribunal.

The Copyright Tribunal proceedings were instituted by Isentia Pty Ltd in 2018 requesting that the Tribunal make orders to provide for the grant of a licence from CAL to Isentia Pty Ltd on the terms and conditions of the Press Monitoring and Online Monitoring Licence which had been entered into by the parties on 8 April 2016 (and which ceased operating on 30 June 2018), modified to reflect a different licence fee arrangement. (and any consequential changes to non-price terms).

As part of the proceedings, on 23 April 2018, the Copyright Tribunal ordered a confidential interim licence be put in place between the parties.

The hearing for the Copyright Tribunal Proceedings occurred over three weeks in February and March 2021. A judgement is not expected until later in 2021 or early 2022.

The interim CAL licences are effective from 1 December 2018 and will remain in place until the earlier of:

- the final determination by the Tribunal which will include a determination of the terms of the licence and the licence fees (“Final Determination”) or any agreement on the subject matter by the parties; or
- the termination of the agency agreement between CopyCo and CAL.

Accordingly, Isentia Pty Ltd’s agreement with CAL for access to key publication mastheads in Australia is currently only an interim licence awarded by the Australian Copyright Tribunal. Furthermore, Isentia Pty Ltd does not have certainty of what the terms of these key licences will be in the future given this licence is still before the Copyright Tribunal. The Tribunal could either uphold the interim licence or make changes to the terms of the licence, including the fees payable.

If the Copyright Tribunal determines in its Final Determination that the licence fee payable by Isentia Pty Ltd should be:

- greater than the interim fees already paid by Isentia Pty Ltd under the Interim CAL Licences, then Isentia Pty Ltd must pay to CAL within 28 days the difference between the interim fee paid and the licence fee under the Final Determination as if the licence fee in the Final Determination applied during the interim period; or
- less than the interim fees already paid by Isentia Pty Ltd under the Interim CAL Licences, then CAL may elect to either pay to Isentia Pty Ltd the difference between the interim fee paid and the licence

fee under the Final Determination as if the licence fee in the Final Determination applied during the interim period or credit such amount towards Isentia Pty Ltd's future payments to CAL.

Isentia and CAL will each be able to approach the Copyright Tribunal to make submissions on the treatment of such historical over or under payment. However, there is a risk that, following the Copyright Tribunal's Final Decision, Isentia Pty Ltd may be required to pay to CAL additional licence fees back dated through the entire period of the Interim CAL Licences. This amount could be significant. Accordingly, if the Copyright Tribunal Proceedings are not resolved on terms favourable to Isentia, there is a risk that the cost base of the Enlarged Group could be re-set at a higher level. There is also a risk that the Enlarged Group will be required to make-up deferred payments should the underlying dispute not be resolved in the Isentia Group's favour.

To adapt and respond effectively to changing technology, new media intelligence, social media platforms, evolving industry standards or changing customer needs, requirements or preferences. The Enlarged Group's products may become less competitive if it is unable to continue investing in its product offering

Media intelligence, social media and the software industry are each subject to rapid technological change, evolving industry standards and practices and changing customer and user needs, requirements and preferences. The success of the Enlarged Group's business will depend, in part, on its ability to adapt and respond effectively to these changes on a timely basis. If the Enlarged Group is unable to develop and sell new products that keep pace with rapid technological change in media intelligence, social media and the software industry, the Enlarged Group's revenue and operating results could be adversely affected. The Enlarged Group's platform must also integrate with a variety of network, hardware, browser, mobile and software platforms and technologies and the Enlarged Group must continuously modify and enhance its products to adapt to changes and innovation in these technologies. If new technologies emerge or the Enlarged Group's competitors are able to deliver solutions at lower prices or more effectively, conveniently or securely, such technologies or solutions could adversely affect the Enlarged Group's ability to compete.

Interruptions in information technology systems and cyber security issues could adversely affect the Enlarged Group's business

In October 2020, the Isentia Group announced that it was the victim of a cyber security incident that disrupted services within its SaaS platform, Mediaportal. The impact of the incident was that the delivery of its services to customers were severely compromised for a period of three to four weeks. Since the incident, the Isentia Group has taken steps to improve the security of the Company however Isentia and the Enlarged Group will remain open to the risk of further cyber security attacks.

The Enlarged Group will continue to rely on the efficient and uninterrupted operation of several information technology systems and networks to operate its business, including the internally developed technology platforms. Any significant disruptions to the Enlarged Group's systems or networks, including, but not limited to, new system implementations, computer viruses, security breaches, cyber-attacks, facility issues, natural disasters, terrorism, war, telecommunication failures or energy blackouts could have a material adverse effect on the Enlarged Group's business, results of operations, financial condition, cash flows and or prospects.

The Enlarged Group's third-party providers and other vendors will continue to have access to certain portions of the Enlarged Group's information technologies system. Certain failure or negligence of these service providers may cause material disruptions in the Enlarged Group's operations, which could affect the Enlarged Group's ability to perform in a timely manner.

Revenue growth is reliant on its ability to cross sell and up sell new services to existing clients and to win new clients

The Enlarged Group's future income and profit growth will depend largely on generating demand for its services, which is driven in part by the Enlarged Group's continued ability to develop relevant services that adapt to client requirements. There can be no assurance that the Enlarged Group will continue to be successful in selling new services to existing clients, or to sell services to new clients. There is a risk that the Enlarged Group may exhaust the list of services that it is able to cross sell or up-sell to existing clients, either through natural attrition or due to the client wishing to use another provider for a specific project. Given the

Enlarged Group has enjoyed a consistent supply of repeat business from clients, a reduction in the amount of work sold to existing clients could result in a material reduction in the Enlarged Group's revenue and profitability.

Loss of customer contracts

The Enlarged Group has a number of important contracts with customers based on terms that range from 12 months to three years. As a result, in each year a number of contracts come up for renewal. There can be no assurance that the Enlarged Group will be successful in its ability to successfully renew its contracts as they end their terms. Should the Enlarged Group not be able to keep customers as their contracts come up for renewal, this could result in a material reduction in the Enlarged Group's revenue and profitability.

Some of the Enlarged Group's products rely on the availability of licenses to third-party software and other intellectual property

Some of the Enlarged Group's products may include software or other intellectual property licensed from third parties, and the Group otherwise uses software and other intellectual property licensed from third parties in development of products and services. The Enlarged Group's products use materials subject to third parties' intellectual property rights and certain products' functionality presupposes that large amounts of such materials are regularly used and indexed from external sources. The Enlarged Group has agreed licensing terms for some of this material with rights holders and rights holders organisations, while other materials are used without such licensing terms in place. The inability to obtain or maintain certain licenses or other rights or the need to engage in litigation regarding these matters, could result in delays in releases of products and could otherwise disrupt the Enlarged Group's business, until equivalent technology or materials can be identified, licensed or developed, and integrated into the products and services. Rights holders and rights holder organisations may also want to renegotiate license terms and may demand increased fees for the Enlarged Group's continued use of licenses. The use of materials subject to third parties' intellectual property rights in the Enlarged Group's products without license agreements entail an exposure to risks relating to legal review and claims brought before national courts or intellectual property rights tribunals from rights holders and rights holder organisations. These events could have a material adverse effect on the Enlarged Group's business, results of operations, financial condition, cash flows and or prospects.

Reliance on continued access to content on similar terms

The Enlarged Group will need to rely on continuous access to content, which is increasingly generated digitally or via social media. If content providers impose onerous terms for accessing content, refuse to do business with the Enlarged Group or move their content behind digital paywalls without providing access to the Enlarged Group, the future financial performance of the Group may be adversely affected. Such changes could impact the Enlarged Group's operations and could have an adverse effect on the Enlarged Group's future financial performance or position.

Data protection breaches

The Enlarged Group must ensure ongoing compliance with various data protection laws, including the UK's Data Protection Act 2018 and the Privacy and Electronic Communications (EC Directive) Regulations 2003. The Enlarged Group is under an obligation to protect the private and personal data that it holds, including that of its employees.

The Enlarged Group is required to take steps to ensure compliance with the General Data Protection Regulation (Regulation (EU) 2016/679) ("**GDPR**"). Any personal information that the Enlarged Group holds in respect of its employees would be subject to the GDPR and relevant laws. There is an inherent risk such data could be processed in a manner which is in direct breach of the relevant data protection legislation, the consequence of which would not only be a potentially significant fine, but may also result in damage to the Enlarged Group's reputation further impacting the Enlarged Group's revenue.

Although the Board considers that the Enlarged Group has in place adequate procedures to ensure compliance with the GDPR and controls to ensure the security of the data collected, this does not preclude

the possibility of litigation or damage of goodwill as a result of a perceived breach, or an actual breach of the GDPR.

Technological change and competition

The market that the Enlarged Group operates in is fast paced and seeing increasing attention from other competitor companies and new entrants. Such competitors and new entrants may have greater financial and marketing resources and may seek to develop technology that more successfully competes with the Enlarged Group's current software and service offering, as well as potentially adopting more aggressive pricing models and marketing campaigns, which may place the Enlarged Group at a significant disadvantage. There is also no guarantee that competitors or new entrants will not bring with them superior technologies, products or services to the market the Enlarged Group serves, which could undercut the Group's service proposition to its customer and user base. While the Enlarged Group continually invests in innovating the services it provides, even if the Enlarged Group is able to compete successfully, it may need to make changes to its products or services in order to respond to changes in its customers' needs, which may have a negative impact on the Enlarged Group's financial performance.

Competitive Actions

The Enlarged Group will continue to face intense competition from numerous large and small businesses. This competition includes both product and price competition. Increased competition may result in a decline in the Enlarged Group's market share thereby adversely affecting the Group's operating results. The markets in which the Enlarged Group will operate are fragmented, competitive and rapidly evolving, and there are limited barriers to entry to certain segments of those markets. The Enlarged Group expects the intensity of competition to increase in the future as existing competitors develop their capabilities and as new companies enter the market. If the Enlarged Group is unable to compete effectively, it will be difficult for the Enlarged Group to maintain its market share and pricing rates and add and retain customers. Furthermore there is no guarantee that the Enlarged Group has adequate protection against competitive actions or solicitation of customers from former employees and executives after termination of their employment.

Changes in laws and regulations

The Enlarged Group's business is subject to regulation and whilst some changes may provide opportunities for the Group (for example by allowing it to consolidate its market position), the Enlarged Group's business may be adversely affected by changes in government legislation, guidelines, copyright and other regulations. It is not always possible to predict future changes to laws and regulations as they may relate to the services the Enlarged Group offers and any changes could have a material adverse effect on the Group's business operation and financial condition. Any changes to the prominent areas of the Enlarged Group's business resulting from changes in laws, regulations or guidelines may cause the Group to incur significant costs in respect of implementing necessary changes required and may severely restrict aspects of the Enlarged Group's business, leading to an impact on revenue and its financial condition.

Risks relating to volatile, negative or uncertain economic or political conditions

The uncertainties and downturn of the global economy and other macroeconomic factors, including but not limited to the ongoing COVID-19 pandemic, could adversely affect the Enlarged Group's business. Global macroeconomic conditions affect the Enlarged Group's customers' businesses, which may have a consequential effect on their spending and demand for the Enlarged Group's products and services.

Expansion into new territories

Part of the Enlarged Group's strategy is to continue to expand into new markets (including those pursuant to the Acquisition). While every effort is made to take the appropriate precautions when developing new markets, such development may still involve greater legal, regulatory and commercial risks than those associated with the Enlarged Group's current operations in the UK. Furthermore, the risk of the Enlarged Group being refused any regulatory licences it might need to operate in such markets could severely restrict its international growth and business plans.

Dependence on key personnel and employees

The continued success of the Enlarged Group depends partly upon the performance and expertise of its current and future key executives and personnel, particularly the Enlarged Group's executive management, key sales staff and software developers. A lack of skilled workforce could result in a drop in services levels, user dissatisfaction, cause safeguarding issues and therefore have an adverse negative impact on the Enlarged Group in terms of its reputation.

Although the Enlarged Group provides various incentives for its management team and other key personnel in order to ensure these employees are retained and rewarded, the Enlarged Group currently has a relatively small senior management team, whose skills, knowledge, experience and performance are important to the Enlarged Group's ongoing success. The loss of such individuals, or the failure to train and attract other high calibre individuals may impact on the Enlarged Group's business and the Enlarged Group's ability to achieve its growth targets.

Intellectual property

The Enlarged Group relies on intellectual property law to protect its intellectual property rights. Despite the Enlarged Group taking precautions to ensure it owns and protects all intellectual property it requires to run its business, other parties may attempt to copy or use the Group's products or the technology incorporated into them. The Group may need to engage in litigation to protect its intellectual property rights, which may be costly and involve a significant commitment of resources and management time.

Litigation and other adversarial actions in the ordinary course of business could materially adversely affect the Enlarged Group

Although the Enlarged Group is not currently party to (either as a claimant or as a defendant) any material litigation, (other than the Copyright Tribunal Proceedings set out above) it may be subject to such litigation in the future. In addition, the Enlarged Group may be subject to other disputes, claims and complaints, including adversarial actions, by customers, employees, suppliers, insurers and others in the ordinary course of business. Significant claims or a substantial number of small claims may be expensive to defend, may divert the time and focus of management away from the Enlarged Group's operations and may result in the Enlarged Group having to pay monetary damages, any of which could have a material adverse effect on the Enlarged Group's financial condition, business, prospectus and results of operations. In addition, adverse publicity or substantial litigation against the Enlarged Group could negatively impact its reputation, even if the Enlarged Group is not found liable, which could have a material adverse effect on the Enlarged Group's business and financial condition.

COVID-19

The recent outbreak of COVID-19 (commonly referred to as coronavirus) has negatively impacted economic conditions globally and is having an adverse and disruptive effect on the global economy. Both Access Intelligence and Isentia have had to adapt their way of operating given the changes enforced by COVID-19 and is likely that the Enlarged Group will need to continue to adapt in response to developments relating to the COVID-19 outbreak.

If the COVID-19 pandemic continues for a prolonged period of time, this may result in delays to existing mandates and delays in receiving payments from clients and may result in existing mandates being deferred or cancelled or the Enlarged Group failing to secure new business. The COVID-19 pandemic may therefore have an adverse effect on the Enlarged Group's business, cash flows, profitability, results of operation and financial condition.

In addition, the COVID-19 pandemic has led governments around the world to limit the flows of migration across national borders. Once the Acquisition has completed it is the Company's intention to send senior management, and in particular Joanna Arnold (CEO), to spend a significant period of time in Australia (being the main country of Isentia's operations) in order to ensure a smooth execution of the integration plan. Access Intelligence are seeking advice in relation to potential delays and restrictions which may be placed on Joanna Arnold being able to move to Australia, however if migration is not possible in the short term this could materially affect the integration plan and consequently the synergies identified pursuant to the Acquisition.

Risk resulting from international operations

The Enlarged Group may be subject to a variety of risks and challenges in managing an organisation operating in various countries, including those related to:

- challenges caused by distance, language and cultural differences;
- human resource processes and procedures;
- general economic conditions in each country or region;
- fluctuations in currency exchange rates;
- frequent regulatory changes in legal systems;
- political unrest, terrorism and the potential for other hostilities;
- overlapping tax regimes;
- the Enlarged Group's ability to repatriate funds held by its international subsidiaries at favourable tax rates or at all; and
- difficulties in transferring funds to or from certain countries.

If the Board are unable to manage the foregoing international aspects of the Enlarged Group's business and ensure that global processes are sufficiently well developed and robust, its operating results and overall business will be significantly and adversely affected.

Foreign exchange currency risk

A significant proportion of the Access Intelligence's revenues are generated in pounds sterling and the majority of its costs for that period were also incurred in pounds sterling. However, a significant proportion of Isentia's revenues are generated in Australian Dollars with the remainder principally in New Zealand Dollars. Whilst Access Intelligence proposes to consider undertaking certain limited hedging activities in order to mitigate the risk of volatility in movement of the pound against the AUD and NZD, there can be no guarantee that these will provide complete protection against currency movements. A weakening of sterling relative to the AUD and NZD, could therefore have the effect of reducing profit margins of the Group.

RISKS RELATING TO THE ACQUISITION

The Acquisition is subject to various conditions which may not be satisfied or waived. Implementation of the Acquisition is subject to the terms of the Scheme and is conditional upon, amongst other things:

1. the approval of the Acquisition by Shareholders at the General Meeting (notice of which is set out at the end of this document);
2. the approval of the Acquisition by Isentia Shareholders (other than Excluded Isentia Shareholders) at the Isentia Shareholder Meeting to be held;
3. the Scheme becoming Effective in accordance with Australian law; and
4. there being no material adverse change within Isentia (which, if capable of waiver, is not waived by the Company or Isentia as applicable).

Further details of the Conditions to the Acquisition are set out in Part I of this document and will be set out in the Scheme Booklet.

There can be no guarantee that all necessary conditions will be satisfied and therefore no guarantee that the Acquisition will complete. If the Acquisition does not proceed, Access Intelligence will have incurred advisory and other costs which it will have to pay in any event. If the Acquisition is not completed due to the failure of the closing conditions relating to the availability of adequate funds, *inter alia*, Access Intelligence Shareholder approval for the Acquisition not being obtained and there may be a break fee payable by the Company to Isentia of AUD\$500,000 (for further details, please see paragraph 8 of Part I and paragraph 11 of Part VI). In the event that the Acquisition is not completed, the Board of Access Intelligence estimate that the costs it will have incurred in relation to the Acquisition will be approximately £3.476 million.

Implementation of the Acquisition is subject to a number of events outside of the Company's control, including Isentia Shareholder approval and Australian Court approval (details of which are set out in Part I

of this document). As previously noted, it is a requirement under the Australian scheme of arrangement process for the consideration to be received in cleared funds by the receiving agent prior to the Implementation Date. Fundraising Admission will occur after the Scheme Effective Date and therefore the only condition outstanding in relation to the Acquisition will be the payment of the Acquisition consideration to Isentia's Shareholders on the Scheme Implementation Date. As a result, there is the chance that the Acquisition does not complete in circumstances where Fundraising Admission has occurred should the Company not be able to pay Isentia's Shareholders on the Scheme Implementation Date.

In the event that the Acquisition does not complete in circumstances where Fundraising Admission has already taken place, the Board will engage with its Shareholders to consider the most appropriate course of action in respect of the net proceeds of the Fundraising.

There may be unforeseen integration difficulties which may distract or overstretch management

The integration of Access Intelligence and Isentia will require significant time and effort on the part of the Enlarged Group's management. If such integration difficulties are significant, this could adversely affect the business, financial condition, results of operations or prospects of the Enlarged Group.

The process of integrating operations could, amongst other things, divert management's attention away from the activities of one or more of the existing operations, as well as interrupt business momentum, and could result in a loss of key personnel. Although regulatory and operational decision making will often be undertaken by each of the businesses locally, coordinating its decision making across all of the businesses in the Enlarged Group will present challenges within the Enlarged Group's management team.

The Enlarged Group has a strong senior management team and it is the intention that Joanna Arnold, the CEO, will relocate to the headquarters of Isentia for at least one year to ensure an orderly integration. However, there is a risk that the challenges associated with managing the Enlarged Group will distract or overstretch the management team or that the integration of the underlying businesses is delayed or takes materially longer than management anticipate and that consequently the underlying businesses will not perform in line with management or Shareholder expectations.

General uncertainty related to the Acquisition could harm the financial performance of Access Intelligence, the Group and/or Isentia

Access Intelligence and Isentia's current and prospective customers may, in response to the announcement of the Acquisition, delay, defer or cancel future purchasing decisions. If Access Intelligence's and Isentia's customers delay, defer or cancel purchasing decisions, the revenues of Access Intelligence and Isentia, respectively, could materially decline or any anticipated increases in revenue could be lower than expected. Also, speculation regarding the likelihood of Implementation of the Acquisition could increase the volatility of Access Intelligence's Share price.

Material facts or circumstances may not be revealed in the due diligence process in relation to the Acquisition

The Company has conducted such due diligence as it deems practicable and appropriate in the context of the Acquisition. The objective of the due diligence process is to identify material issues which might affect the decision to proceed with the Acquisition or the consideration payable for the Acquisition. Whilst conducting due diligence and assessing the Acquisition, the Company has relied on publicly available information and information provided by Isentia.

There can be no assurance that the due diligence undertaken with respect to the Acquisition has revealed all relevant facts that may be necessary to evaluate the Acquisition, including the determination of the price the Company has agreed to pay, or to formulate a business strategy for the Enlarged Group. As part of the due diligence process, the Company has also made subjective judgments regarding the results of the operations, financial condition and prospects of Isentia. If the due diligence investigation has failed to identify correctly material issues and liabilities that may be present in Isentia, or if the Company has concluded such material risks are commercially acceptable relative to the opportunity, the Company may subsequently incur substantial impairment charges or other losses. In addition, following the Acquisition, the Company may be subject to significant, previously undisclosed liabilities or technical difficulties of Isentia that were not identified

during due diligence and which could have a material adverse effect on the Enlarged Group's financial condition and results of operations.

Risk that the Isentia's results will not match Access Intelligence's expectations

If the results and cash flows generated by Isentia are not in line with the Company's expectations, it may materially impact the financial performance of the Enlarged Group. In addition, should the future performance of Isentia not meet the Company's expectations, any goodwill that arises on the Acquisition may be required to be written down, which, while having no cash impact, could have an adverse effect on the Group's financial position, performance and share price.

GENERAL RISKS RELATING TO AN INVESTMENT IN THE ORDINARY SHARES

General

An investment in Ordinary Shares is only suitable for financially sophisticated investors who are capable of evaluating the merits and risks of such an investment, or other investors who have been professionally advised with regard to the investment, and who have sufficient resources to be able to bear any losses that may arise therefrom (which may be equal to the whole amount invested). Such an investment should be seen as complementary to existing investments in a wide spread of other financial assets and should not form a major part of an investment portfolio. Prospective investors should not consider investing in the Ordinary Shares unless they already have a diversified investment portfolio. Prospective investors should be aware that the value of an investment in the Company may go down as well as up and investors may therefore not recover their original investment.

Legislation and tax status

This document has been prepared on the basis of current legislation, regulation, rules and practices and the Directors' interpretation thereof. Such interpretation may not be correct and it is always possible that legislation, rules and practice may change. Any change in legislation and in particular in tax status or tax residence of the Enlarged Group or in tax legislation or practice may have an adverse effect on the returns available on an investment in the Company.

General economic climate

Factors such as inflation, currency fluctuation, interest rates, supply and demand of capital and industrial disruption have an impact on business costs and commodity prices and stock market prices. The Enlarged Group's operations, business and profitability can be affected by these factors, which are beyond the control of the Enlarged Group.

Economic, political, judicial, administrative, taxation, environmental or other regulatory matters

In addition to the impact of the downturn of the world's economies, the Enlarged Group may be adversely affected by other changes in economic, political, judicial, administrative, taxation or other regulatory or other unforeseen matters. The Enlarged Group may not have been and may not be at all times in complete compliance with environmental laws, regulations and permits, and the nature of the Enlarged Group's operations expose it to the risk of liabilities or claims with respect to environmental, regulatory and worker health and safety matters. If the Enlarged Group violates or fails to comply with environmental laws, regulations and permits, it could be subject to penalties, fines, restrictions on operations or other sanctions, and the Enlarged Group's operations could be interrupted or suspended.

Share price volatility and liquidity

Following Re-Admission, the market price of the Ordinary Shares may be subject to wide fluctuations in response to many factors, including stock market fluctuations and general economic conditions or changes in political sentiment. This may substantially affect the market price of the Ordinary Shares irrespective of the progress the Enlarged Group may make in terms of developing and expanding its products or its actual financial, trading or operational performance. These factors could include the performance of the Enlarged Group, purchases or sales of the Ordinary Shares (or the perception that the same may occur, as, for example in the period leading up to the expiration of the restrictions contained in certain lock-in and orderly

marketing arrangements), legislative changes and market, economic, political or regulatory conditions or price distortions resulting from limited liquidity in the Company's shares. The share price for publicly traded companies, particularly those at an early stage of development, such as the Company, can be highly volatile. Re-Admission to AIM should not be taken as implying that a liquid market for the Ordinary Shares will either exist, develop or be sustained following Re-Admission. Active, liquid trading markets generally result in lower price volatility and more efficient execution of buy and sell orders for investors. The liquidity of a securities market is often a function of the volume of the underlying shares that are publicly held by unrelated parties. If a liquid trading market for the Ordinary Shares does not develop, the price of the Ordinary Shares may become more volatile and it may be more difficult to complete a buy or sell order even for a relatively small number of such Ordinary Shares.

There is no guarantee that the Company's Ordinary Shares will continue to be traded on AIM

The Company cannot assure investors that the Ordinary Shares will always continue to be traded on AIM or on any other exchange. If such trading were to cease, certain investors may decide to sell their shares, which could have an adverse impact on the price of the Ordinary Shares. Additionally, if in the future the Company decides to obtain a listing on another exchange in addition or as an alternative to AIM, the level of liquidity of the Ordinary Shares traded on AIM could decline.

Investment in AIM traded securities

The Ordinary Shares will be traded on AIM rather than admitted to the Official List. AIM is designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. The rules of AIM are less demanding than the rules for companies admitted to the Official List and an investment in shares traded on AIM may carry a higher risk than an investment in shares admitted to the Official List. In addition, the market in shares traded on AIM may have limited liquidity (as stated above), therefore making it more difficult for an investor to realise its investment on AIM than to realise an investment in a company whose shares are admitted to the Official List. Prospective investors should therefore be aware that the market price of the Ordinary Shares may be more volatile than that of shares admitted to the Official List, and may not reflect the underlying value of the Company. Investors may, therefore, not be able to sell at a price which permits them to recover their original investment and they could lose their entire investment in the Company.

Issue of additional Ordinary Shares

Although the Group's business plan does not involve the issue of Ordinary Shares other than in connection with the Placing, it is possible that the Company may decide to issue, pursuant to a public offer or otherwise, additional Ordinary Shares in the future at a price or prices higher or lower than the Placing Price. An additional issue of Ordinary Shares by the Company, or the public perception that an issue may occur, could have an adverse effect on the market price of Ordinary Shares and could dilute the proportionate ownership interest, and hence the proportionate voting interest, of Shareholders. This will particularly be the case if and to the extent that such an issue of Ordinary Shares is not effected on a pre-emptive basis, or Shareholders do not take up their rights to subscribe for further Ordinary Shares structured as a pre-emptive offer.

Force majeure

The Company's operations now or in the future may be adversely affected by risks outside the control of the Company, including labour unrest, civil disorder, war, subversive activities or sabotage, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions.

PART III

HISTORICAL FINANCIAL INFORMATION OF THE COMPANY

The Company has published its annual report and accounts for the years ended 30 November 2018, 30 November 2019 and 30 November 2020 (the “**Accounts**”). Pursuant to Rule 26 of the AIM Rules for Companies, the Accounts are available free of charge from the Company’s website at www.accessintelligence.com and also at the offices of The Johnson Building, 79 Hatton Garden, London, EC1N 8AW up to and including the date of Re-Admission and therefore have not been reproduced in this document, instead being incorporated by reference.

The Accounts were prepared under International Financial Reporting Standards and include, on the pages specified below, the following information:

	<i>For the year ended 30 Nov</i>		
	<i>2018</i>	<i>2019</i>	<i>2020</i>
Independent auditors’ report	42	39	72
Consolidated statement of comprehensive income	50	46	84
Consolidated statement of financial position	52	48	86
Consolidated statement of cash flows	58	54	92
Consolidated statement of changes in equity	54	50	88
Accounting policies	61	57	95
Notes to the financial statements	60-101	56-97	94-129

William Bussey of Mazars LLP is a Senior Statutory Auditor and has issued unqualified audit opinions on the consolidated financial statements of Access Intelligence and its subsidiaries included in the Accounts for each of the financial years ended 30 November 2018, 30 November 2019 and 30 November 2020.

PART IV

HISTORICAL FINANCIAL INFORMATION OF ISENTIA GROUP LIMITED

Section A – Accountant’s Report



BDO LLP
55 Baker Street
London
W1U 7EU

The Directors
Access Intelligence plc
The Johnson Building
79 Hatton Garden
London
EC1N 8AW

15 June 2021

finnCap Limited
One Bartholomew Close
London
EC1A 7BL

Dear Sir or Madam

Access Intelligence plc (the “Company”) and its subsidiary undertakings (together, the “Group”)

Isentia Group Limited and its subsidiaries (together, the “Isentia Group”)

Introduction

We report on the financial information on Isentia Group set out in Section B of Part IV. This financial information has been prepared for inclusion in the admission document dated 15 June 2021 of the Company (the “Admission Document”) on the basis of the accounting policies set out in note 1 to the financial information. This report is required by paragraph (a) of Schedule Two of the AIM Rules for Companies and is given for the purpose of complying with that paragraph and for no other purpose.

Responsibilities

The directors of the Company are responsible for preparing the financial information in accordance with international accounting standards in accordance with UK adopted International Accounting Standards.

It is our responsibility to form an opinion on the financial information and to report our opinion to you.

Save for any responsibility arising under paragraph (a) of Schedule Two of the AIM Rules for Companies to any person as and to the extent there provided to the fullest extent permitted by the law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with Schedule Two of the AIM Rules for Companies consenting to its inclusion in the Admission Document.

Basis of opinion

We conducted our work in accordance with Standards for Investment Reporting issued by the Auditing Practices Board in the United Kingdom. Our work included an assessment of evidence relevant to the amounts and disclosures in the financial information. It also included an assessment of significant estimates

and judgements made by those responsible for the preparation of the financial information and whether the accounting policies are appropriate to the entity's circumstances, consistently applied and adequately disclosed.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial information is free from material misstatement whether caused by fraud or other irregularity or error.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in the United States of America or other jurisdictions outside the United Kingdom and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

Opinion

In our opinion, the financial information gives, for the purposes of the Admission Document, a true and fair view of the state of affairs of the Isentia Group as at 30 June 2018, 2019 and 2020 and of its results, cash flows and changes in equity for the periods then ended in accordance with international accounting standards in accordance with UK adopted International Accounting Standards.

Declaration

For the purposes of Paragraph (a) of Schedule Two of the AIM Rules for Companies we are responsible for this report as part of the Admission Document and declare that, to the best of our knowledge, the information contained in this report is in accordance with the facts and makes no omission likely to affect its import. This declaration is included in the Admission Document in compliance with Schedule Two of the AIM Rules for Companies.

Yours faithfully

DRAFT
BDO LLP
Chartered Accountants

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

Section B – Historical Financial Information

Part I: Historical financial information for the three financial years ending 30 June 2018, 30 June 2019 and 20 June 2020

Consolidated statement of total comprehensive income

	Note	Year ended 30 June		
		2020 AUD\$'000	2019 AUD\$'000	2018 AUD\$'000
Revenue	4	110,254	122,467	137,139
Other income	5	1,998	20	2,956
Interest revenue		46	80	92
Expenses				
Copyright, consumables and other direct purchases		(24,194)	(29,440)	(35,233)
Employee benefits expense		(54,721)	(58,155)	(59,966)
Amortization expense	7	(13,331)	(13,116)	(14,307)
Depreciation expense	7	(5,517)	(1,976)	(1,819)
Impairment of assets	7	(10,432)	(40,959)	(158)
Loss on disposal of assets		(103)	(188)	(275)
Occupancy costs		(1,310)	(5,214)	(5,610)
North Asia exit expenses	6	(2,801)	–	–
Content marketing exit expenses	6	–	–	(7,100)
Other expenses		(7,311)	(8,832)	(9,954)
Finance costs	7	(2,700)	(2,233)	(2,284)
(Loss)/profit before income tax (expense)/benefit		(10,122)	(37,546)	3,481
Income tax (expense)/benefit	8	(763)	3,205	(2,196)
(Loss)/profit after income tax (expense)/benefit for the year attributable to the owners of Isentia Group Limited		(10,885)	(34,341)	1,285
Other comprehensive income (net of tax)		(45)	1,267	2,416
Total comprehensive income for the year attributable to the owners of Isentia Group Limited		<u>(10,930)</u>	<u>(33,074)</u>	<u>3,701</u>
Earnings per share for profit attributable to the owners of the parent during the year				
Basic (cents)	40	(5.442)	(17.170)	0.642
Diluted (cents)	40	(5.442)	(17.170)	0.642

Consolidated statement of financial position

		As at 30 June		
	Note	2020 AUD\$'000	2019 AUD\$'000	2018 AUD\$'000
Non-current assets				
Property, plant and equipment	12	2,439	3,832	4,628
Right-of-use assets	13	7,540	–	–
Intangibles	14	81,183	97,331	142,383
Deferred tax assets	15	5,369	3,541	3,459
Other		–	–	40
Total non-current assets		<u>96,531</u>	<u>104,704</u>	<u>150,510</u>
Current assets				
Cash and cash equivalents	9	16,118	14,718	11,927
Trade and other receivables	10	17,489	20,600	23,157
Income tax refund due		200	147	2,273
Prepayments		1,442	1,462	1,025
Assets classified as held for sale	11	307	–	–
Total current assets		<u>35,556</u>	<u>36,927</u>	<u>38,382</u>
Total assets		<u>132,087</u>	<u>141,631</u>	<u>188,892</u>
Current liabilities				
Trade and other payables	16	13,727	17,793	12,227
Contract liabilities	17	5,006	5,167	5,717
Borrowings	18	3,815	3,750	325
Lease liabilities	20	3,761	597	–
Current tax liability		402	1,621	528
Provisions	21	7,963	5,428	5,487
Contingent consideration	22	–	709	3,172
Liabilities directly associated with assets held for sale	22	185	–	–
Total current liabilities		<u>34,859</u>	<u>35,065</u>	<u>27,456</u>
Non-current liabilities				
Borrowings	18	36,735	39,171	55,502
Lease liabilities	20	4,654	566	–
Derivative financial instruments	19	92	335	–
Deferred tax liabilities	24	7,830	7,126	14,229
Provisions	21	245	602	684
Contingent consideration	22	–	551	551
Total non-current liabilities		<u>49,556</u>	<u>48,351</u>	<u>70,966</u>
Total liabilities		<u>84,415</u>	<u>83,416</u>	<u>98,422</u>
Net assets		<u>47,672</u>	<u>58,215</u>	<u>90,470</u>
Equity attributable to equity holders of the company				
Issued Capital	25	403,662	403,662	403,662
Reserves	26	(249,276)	(249,681)	(251,767)
Accumulated losses	27	(106,714)	(95,766)	(61,425)
Total equity		<u>47,672</u>	<u>58,215</u>	<u>90,470</u>

Consolidated statement of changes in equity

	<i>Share capital AUD\$'000</i>	<i>Reserves AUD\$'000</i>	<i>Accumulated Losses AUD\$'000</i>	<i>Total equity AUD\$'000</i>
At 1 July 2017	403,662	(253,673)	(55,256)	94,733
Profit after income tax expense	–	–	1,285	1,285
Other comprehensive income	–	2,416	–	2,416
Total comprehensive income	–	2,416	1,285	3,701
Transactions with owners:				
Share-based payments	–	(510)	–	(510)
Dividends paid	–	–	(7,454)	(7,454)
Balance as at 30 June 2018	<u>403,662</u>	<u>(251,767)</u>	<u>(61,425)</u>	<u>90,470</u>
	<i>Share capital AUD\$'000</i>	<i>Reserves AUD\$'000</i>	<i>Accumulated Losses AUD\$'000</i>	<i>Total equity AUD\$'000</i>
At 1 July 2018	403,662	(251,767)	(61,425)	90,470
Loss after income tax benefit	–	–	(34,431)	(34,341)
Other comprehensive income	–	1,267	–	1,267
Total comprehensive income	–	1,267	(34,431)	(33,074)
Transactions with owners:				
Share-based payments	–	819	–	819
Balance as at 30 June 2019	<u>403,662</u>	<u>(249,681)</u>	<u>(95,766)</u>	<u>58,215</u>
	<i>Share capital AUD\$'000</i>	<i>Reserves AUD\$'000</i>	<i>Losses AUD\$'000</i>	<i>Total equity AUD\$'000</i>
At 1 July 2019	403,662	(249,681)	(95,766)	58,215
Adjustment for the first time adoption of IFRS 16 (note 1)			(63)	(63)
Balance at 1 July 2019 – restated	403,662	(249,681)	(95,829)	58,152
Loss after income tax expense	–	–	(10,885)	(10,885)
Other comprehensive income	–	(45)	–	(45)
Total comprehensive income	–	(45)	(10,885)	(10,930)
Transactions with owners:				
Share-based payments	–	450	–	450
Balance as at 30 June 2020	<u>403,662</u>	<u>(249,276)</u>	<u>(106,714)</u>	<u>47,672</u>

Consolidated statement of cash flows

	<i>Year ended 30 June</i>		
	<i>2020</i>	<i>2019</i>	<i>2018</i>
	<i>AUD\$'000</i>	<i>AUD\$'000</i>	<i>AUD\$'000</i>
Cash flows from operating activities			
Receipts from customers (inclusive GST)	122,197	135,162	158,716
Payments to suppliers & employees (inclusive GST)	(100,340)	(106,917)	(125,838)
Interest received	46	80	92
Other revenue	84	17	1,106
Interest and other finance costs paid	(2,651)	(2,244)	(2,187)
Income taxes paid	(3,134)	(207)	(3,512)
Net cash generated from operations	<u>16,202</u>	<u>25,891</u>	<u>28,377</u>
Cash flows from investing activities			
Contingent consideration pay out	–	(2,482)	(2,386)
Payments for property, plant and equipment	(737)	(1,165)	(1,096)
Payment for intangibles	(7,840)	(7,094)	(8,475)
Proceeds from disposal of PPE	4	–	–
Payment for purchase of asset acquisition	–	–	(508)
Proceeds from disposal of intangibles	–	–	100
Proceeds from release of security deposits	95	24	225
Net cash used in investing activities	<u>(8,478)</u>	<u>(10,717)</u>	<u>(12,140)</u>
Cash flows from financing activities			
Proceeds from borrowings	5,000	–	2,000
Repayment of borrowings	(7,250)	(12,000)	(12,000)
Repayment of lease liabilities	(4,030)	(383)	(108)
Dividends paid	–	–	(7,454)
Net cash used in financing activities	<u>(6,280)</u>	<u>(12,383)</u>	<u>(17,562)</u>
Net increase/(decrease) in cash and cash equivalents	<u>1,444</u>	<u>2,791</u>	<u>(1,325)</u>
Cash and cash equivalents at the beginning of the year	<u>14,718</u>	<u>11,927</u>	<u>13,252</u>
Cash and cash equivalents at the end of the year	<u><u>16,162</u></u>	<u><u>14,718</u></u>	<u><u>11,927</u></u>

Notes to the consolidated financial information

Note 1. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial information are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The Group has adopted all of the new or amended Accounting Standards and Interpretations that are mandatory for the current reporting period.

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

The following Accounting Standards and Interpretations adopted during the year are most relevant to the Group:

IFRS 16 Leases

The Group has adopted IFRS 16 from 1 July 2019. The standard replaces IAS 17 and for lessees eliminates the classifications of operating leases and finance leases. Except for short-term leases and leases of low-value assets, right-of-use assets and corresponding lease liabilities are recognised in the statement of financial position. Straight-line operating lease expense recognition is replaced with a depreciation charge for the right-of-use assets (included in operating costs) and an interest expense on the recognised lease liabilities (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under IFRS 16 will be higher when compared to lease expenses under IAS 17. However, EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) results improve as the operating expense is now replaced by interest expense and depreciation in profit or loss. For classification within the statement of cash flows, the interest portion is disclosed in operating activities and the principal portion of the lease payments are separately disclosed in financing activities. For lessor accounting, the standard does not substantially change how a lessor accounts for leases.

Impact of adoption

IFRS 16 was adopted using the modified retrospective approach and as such the comparatives have not been restated. The impact of adoption on opening retained profits as at 1 July 2019 was as follows:

	<i>1 July 2019 AUD\$'000</i>
Operating lease commitments (net of options) as at 1 July 2019 (IAS 17)	11,800
Operating lease commitments discount based on the weighted average incremental borrowing rate of 3.415%	(807)
Low-value assets leases not recognised as a right-of-use asset	(601)
Lease benefit straight line lease adjustment under IAS 17	(280)
Right-of-use assets	<u>10,112</u>
Lease liabilities – current	(3,246)
Lease liabilities – non-current	(7,209)
Derecognition of lease benefit straight line lease adjustment	<u>280</u>
Reduction in opening retained profits as at 1 July 2019	<u>(63)</u>

The above table excludes finance leases capitalised under the previous accounting standard (IAS 17) with net carrying value of \$1,228,000 and a corresponding finance lease liability of \$1,163,000 as at the transition date 1 July 2019.

Office equipment and software under finance lease arrangements previously presented within 'Property, plant and equipment' and 'Intangibles' of \$600,000 and \$628,000 respectively are now presented within 'Right-of-use assets'. There has been no change to the net carrying value at transition date.

The lease liability on leases previously classified as finance leases under IAS 17 and previously presented within 'Borrowings' of \$1,163,000 is now presented as 'Lease liabilities'. There has been no change in the liability recognised.

Practical expedients applied

In applying IFRS 16 for the first time, the Group has used the following practical expedients permitted by the standard:

- applying a single discount rate to a portfolio of leases with similar characteristics;
- accounting for leases with a remaining lease term of 12 months as at 1 July 2019 as short-term leases;
- excluding any initial direct costs from the measurement of right-of-use assets;
- using hindsight in determining the lease term when the contract contains options to extend or terminate the lease; and
- not apply IFRS 16 to contracts that were not previously identified as containing a lease.

In addition, the following practical expedient permitted by the standard has been applied in respect of COVID-19 related rent concessions:

- elect not to assess whether rent concessions received as a result of COVID-19 equates to a lease modification. The short term rent concessions in the form of rent forgiveness or a waiver as a direct consequence, are disclosed as Other Income – rental reliefs in note 5.

IFRIC 23 Uncertainty over Income Tax Treatments

The Group has adopted IFRIC 23 for the first time in the current year. IFRIC 23 sets out how to determine the accounting tax position when there is uncertainty over income tax treatments. The interpretation requires the Group to determine whether uncertain tax positions are assessed separately or as a group; and whether it is probable that a tax authority will accept an uncertain tax treatment used, or proposed to be used, by an entity in its income tax filings. There are no tax positions where there is uncertainty over income tax treatments in the current year.

Basis of preparation

The financial information has been prepared in accordance with international accounting standards in conformity with the requirements of the Corporations Act 2001, as appropriate for for-profit oriented entities.

Historical cost convention

The financial information has been prepared under the historical cost convention except for contingent consideration and certain financial instruments that are measured at revalued amounts or fair values, as detailed in the accounting policies in this note.

Critical accounting estimates

The preparation of financial information in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial information, are disclosed in note 2.

Parent entity information

In accordance with the Corporations Act 2001, this financial information present the results of the Group only. Supplementary information about the parent entity is disclosed in note 36.

Principles of consolidation

The consolidated financial information incorporates the assets and liabilities of all subsidiaries of Isentia Group Limited ('Company' or 'parent entity') as at 30 June 2020 and the results of all subsidiaries for the

year then ended. Isentia Group Limited and its subsidiaries together are referred to in this financial information as the 'Group'.

Subsidiaries are all those entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the Group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The acquisition of common control subsidiaries is accounted for at book value. The acquisition of other subsidiaries is accounted for using the acquisition method of accounting. Refer to the 'business combinations' accounting policy for further details. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Where the Group loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The Group recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Operating segments

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

Foreign currency translation

The financial information is presented in Australian dollars, which is Isentia Group Limited's functional and presentation currency.

Foreign currency transactions

Foreign currency transactions are translated into the entity's functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign operations

The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

The foreign currency reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

Revenue recognition

The Group recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the Group is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Group identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

The Group's principal revenue-generating activities involve the provision of media intelligence services to public and private sector clients through media database, media release distribution, media monitoring, social media monitoring, media analysis and content marketing, across Australia, New Zealand and Asia.

From these activities, the Group generates the following streams of revenue:

Software-as-a-service ('SaaS'):	The Group has developed and hosts a number of SaaS platforms that provide customers access to time critical and highly relevant information as well as tools to analyse and report on media intelligence.
Value Added Services ('VAS'):	The Group provides social media insights and monitoring, customised quantitative and qualitative analysis, and in depth analysis required by customers.

The above services delivered to customers are considered separate performance obligations, even though for practical expedience may be governed by a single legal contract with the customer.

Under IFRS 15, revenue from the rendering of services within each of the above revenue streams is recognised as follows.

(i) **SaaS:**

Revenue is derived from providing customers access to Group platforms and is recognised in accordance with the terms of the contracts provided in the subscription agreement. The SaaS and related support revenue (if any) is recognised over time, being the subscription period, as the customer simultaneously receives and consumes the benefit of accessing the platform.

Access to the platforms is not considered distinct from other performance obligations, such as set-up and support, as access to any platform alone does not allow the customer to obtain substantially all the benefits of the access, and is therefore accounted for as a single performance obligation.

Consideration received can be variable in nature, based upon customer usage in excess of contractually agreed units. The variable consideration is included in the transaction price at the company's best estimate, using either an expected value or most likely outcome, whichever provides the best estimate and is included in revenue to the extent that it is highly probable that there will be no significant reversal of the cumulative amount of revenue when any pricing uncertainty is resolved.

(ii) **VAS:**

Revenue is recognised upon delivery of customised reports to customers, which represents the point in time where control of the performance obligation is transferred to the customer. The transaction price is fixed for each performance obligation, with no variable revenue associated with this revenue stream.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Government grants

Grants are recognised at their fair value where there is a reasonable assurance that the grant will be received and all attached conditions will be complied with.

Government grants towards staff are recognised as a deduction from the related Employee benefits expenses. The Group has received salaries subsidies from government during COVID-19, as disclosed in note 7.

Apart from above, grants related to income are presented as part of profit or loss, under a general heading of 'other income'.

Income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Isentia Group Limited (the 'head entity') and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime, effective 5 June 2014. Previously the head entity was Isentia Holdings Pty Limited. The head entity and each subsidiary in the tax consolidated group continue to account for their own current and deferred tax amounts. The tax consolidated group has applied the 'separate taxpayer within group' approach in determining the appropriate amount of taxes to allocate to members of the tax consolidated group.

In addition to its own current and deferred tax amounts, the head entity also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from each subsidiary in the tax consolidated group.

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts receivable from or payable to other entities in the tax consolidated group. The tax funding arrangement ensures that the intercompany charge equals the current tax liability or benefit of each tax consolidated group member, resulting in neither a contribution by the head entity to the subsidiaries nor a distribution by the subsidiaries to the head entity.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Trade receivables are generally due for settlement between 20 and 90 days.

The Group has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Derivative financial instruments

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

Derivatives are classified as current or non-current depending on the expected period of realisation.

Cash flow hedges

Cash flow hedges are used to cover the Group's exposure to variability in cash flows that is attributable to particular risks associated with a recognised asset or liability or a firm commitment which could affect profit or loss. The effective portion of the gain or loss on the hedging instrument is recognised in other comprehensive income through the cash flow hedges reserve in equity, whilst the ineffective portion is recognised in profit or loss. Amounts taken to equity are transferred out of equity and included in the measurement of the hedged transaction when the forecast transaction occurs.

Cash flow hedges are tested for effectiveness on a regular basis both retrospectively and prospectively to ensure that each hedge is highly effective and continues to be designated as a cash flow hedge. If the forecast transaction is no longer expected to occur, the amounts recognised in equity are transferred to profit or loss.

If the hedging instrument is sold, terminated, expires, exercised without replacement or rollover, or if the hedge becomes ineffective and is no longer a designated hedge, the amounts previously recognised in equity remain in equity until the forecast transaction occurs.

Non-current assets or disposal groups classified as held for sale

Non-current assets and assets of disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continued use. They are measured at the lower of their carrying amount and fair value less costs of disposal. For non-current assets or assets of disposal groups to be classified as held for sale, they must be available for immediate sale in their present condition and their sale must be highly probable.

An impairment loss is recognised for any initial or subsequent write down of the non-current assets and assets of disposal groups to fair value less costs of disposal. A gain is recognised for any subsequent increases in fair value less costs of disposal of a non-current assets and assets of disposal groups, but not in excess of any cumulative impairment loss previously recognised.

Non-current assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of assets held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of disposal groups classified as held for sale are presented separately on the face of the statement of financial position, in current assets. The liabilities of disposal groups classified as held for sale are presented separately on the face of the statement of financial position, in current liabilities.

Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on the purpose of the acquisition and subsequent reclassification to other categories is restricted.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Financial assets at amortised cost

A financial asset is measured at amortised cost only if both of the following conditions are met: (i) it is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and (ii) the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the Group's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets mandatorily measured at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income with a corresponding expense through profit or loss. In all other cases, the loss allowance reduces the asset's carrying value with a corresponding expense through profit or loss.

Property, plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Leasehold improvements	3-5 years
Furniture and fittings	3-13 years
Office equipment	3-7 years
Computer equipment	2-3 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Group. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Group expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of-use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Group has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Intangible assets

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Goodwill

Goodwill arises on the acquisition of a business. Goodwill is not amortised. Instead, goodwill is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Impairment losses on goodwill are taken to profit or loss and are not subsequently reversed.

Customer relationships and contracts

Customer contracts purchased or acquired in a business combination are amortised on a straight-line basis over the period of their expected benefit, being their finite useful lives of between five and ten years.

Software, research and capitalised development

Research costs are expensed in the period in which they are incurred. Development costs are capitalised when it is probable that the project will be a success considering its commercial and technical feasibility; the Group is able to use or sell the asset; the Group has sufficient resources; and intent to complete the internal development and their costs can be measured reliably. These capitalised costs and other software costs, purchased from third parties, are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite useful lives of between two and five years.

Brands

Brands acquired in a business combination are not amortised, on the basis of indefinite life, which is reassessed every year. Instead, brands are tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses.

Impairment of non-financial assets

Goodwill and other intangible assets that have an indefinite useful life, such as Brands, are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Contract liabilities

Contract liabilities represent the Group's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the Group recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the Group has transferred the goods or services to the customer.

Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties.

The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred. Variable lease payments include rent concessions in the form of rent forgiveness or a waiver as a direct consequence of COVID-19 and which relate to payments originally due on or before 30 June 2021.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Finance costs

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

Provisions

Provisions are recognised when the Group has a present (legal or constructive) obligation as a result of a past event, it is probable the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

Employee benefits

Short-term employee benefits

Employee benefits expected to be settled within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

Employee benefits not expected to be settled within 12 months of the reporting date is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the

reporting date on high quality corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Defined contribution superannuation expense

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Share-based payments

Equity-settled and cash-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares, or rights that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using the Black-Scholes option pricing model or Monte Carlo Simulation where applicable that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the Group receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

Market conditions are taken into consideration in determining fair value. Therefore any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the Group or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the Group or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

Issued capital

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.

Dividends

Dividends are recognised when declared during the financial year and no longer at the discretion of the Company.

Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the owners of Isentia Group Limited, 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 elements in ordinary shares issued during the financial year.

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 shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

Rounding of amounts

The Company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and 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 Accounting Standards and Interpretations not yet mandatory or early adopted

Conceptual Framework for Financial Reporting (Conceptual Framework)

The revised Conceptual Framework is applicable to annual reporting periods beginning on or after 1 January 2020 and early adoption is permitted. The Conceptual Framework contains new definition and recognition criteria as well as new guidance on measurement that affects several Accounting Standards. Where the Group has relied on the existing framework in determining its accounting policies for transactions, events or conditions that are not otherwise dealt with under the International Accounting Standards, the Group may need to review such policies under the revised framework. At this time, the application of the Conceptual Framework is not expected to have a material impact on the Group's financial information.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial information requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial information. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

COVID-19 pandemic

Judgement has been exercised in considering the impacts that COVID-19 has had, or may have, on the Group based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the Group operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial information or any significant uncertainties with respect to events or conditions which may impact the Group unfavourably as at the reporting date or subsequently as a result of COVID-19 pandemic. Consideration of COVID-19 has been included within notes 1, 7, 10, 29 and 42.

Allowance for expected credit losses

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience, historical collection rates, the impact of COVID-19 and forward-looking information that is available. The allowance for expected credit losses, as disclosed in note 10, is calculated based on the information available at the time of preparation. The actual credit losses in future years may be higher or lower.

Capitalised development

Research costs are expensed in the period in which they are incurred. Development costs are capitalised when it is probable that the project will be a success considering its commercial and technical feasibility; the Group is able to use or sell the asset; the Group has sufficient resources and intent to complete the internal development and their costs can be measured reliably.

The key judgments relate to:

- Determining the portion of the internal salary and on-costs that are directly attributable to development of the Group's products and software; and
- Identifying and assessing the technical feasibility of completing the intangible asset and generating future economic benefits.

Estimation of useful lives of assets

The Group determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase

where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Goodwill and other indefinite life intangible assets

The Group tests annually, or more frequently if events or changes in circumstances indicate impairment, whether goodwill and other indefinite life intangible assets have suffered any impairment, in accordance with the accounting policy stated in note 1. The recoverable amounts of cash-generating units have been determined based on value in use calculations. These calculations require the use of assumptions, including estimated discount rates based on the current cost of capital and growth rates of the estimated future cash flows. See note 14 for further detail.

Impairment of non-financial assets other than goodwill and other indefinite life intangible assets

The Group assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the Group and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions. See note 14 for further detail.

Income tax

The Group is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Group recognises liabilities for anticipated tax audit issues based on the Group's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

Recovery of deferred tax assets

Deferred tax assets are recognised for deductible temporary differences only if the Group considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Such deferred tax assets are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. The carrying amount of the deferred tax assets is reviewed at the end of each period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. See note 15 for further detail.

Incremental borrowing rate

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the Group estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment. The incremental borrowing rate used will determine the valuation assessed for both the lease liability and right-of-use asset on initial recognition.

Note 3. Operating segments

Identification of reportable operating segments

The Group has revised the operating segments from two geographical segments being Australia and New Zealand ('ANZ') and Asia/Rest of the World ('Asia/RoW') to three being Australia and New Zealand ('ANZ'), South East Asia and North Asia due to the decision to exit the North Asia business as described in note 6. These operating segments are based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources. There is no aggregation of operating segments.

The CODM reviews revenue and underlying EBITDA (earnings before interest, tax, depreciation, amortisation and non- operating costs) for these segments and head office expenses. The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial information.

The information reported to the CODM is on at least a monthly basis.

The CODM does not regularly review segment assets and segment liabilities. Refer to statement of financial position for assets and liabilities.

Major customers

There are no major customers that contributed more than 10 per cent. of revenue to the Group as at 30 June 2020 and 30 June 2019.

Operating segment information

<i>Consolidated – 2020</i>	<i>South East</i>		<i>North Asia</i>	<i>Head Office</i>	<i>Total</i>
	<i>ANZ</i>	<i>Asia</i>			
	<i>AUD\$'000</i>	<i>AUD\$'000</i>	<i>AUD\$'000</i>	<i>AUD\$'000</i>	<i>AUD\$'000</i>
Revenue					
SaaS – recognised over time	58,915	11,449	4,804	–	75,168
VAS – recognised at a point in time	17,476	13,901	3,709	–	35,086
Total revenue	<u>76,391</u>	<u>25,350</u>	<u>8,513</u>	<u>–</u>	<u>110,254</u>
Underlying EBITDA before IFRS 16 impact	30,583	6,092	(1,235)	(14,575)	20,865
IFRS 16 adjustment	232	1,007	944	1,713	3,896
Underlying EBITDA after IFRS 16 impact	30,815	7,099	(291)	(12,862)	24,761
Restructuring costs	(490)	(160)	(110)	(92)	(852)
Other	–	(75)	–	(1,032)	(1,107)
Fair value adjustment on contingent consideration	–	–	1,260	–	1,260
Impairment of assets	–	(373)	(9,912)	(147)	(10,432)
Other income – customer referral fees	–	–	654	–	654
Loss on disposal of assets	(20)	(22)	(37)	(24)	(103)
Exit expenses	–	–	(2,801)	–	(2,801)
EBITDA	<u>30,305</u>	<u>6,469</u>	<u>(11,237)</u>	<u>(14,157)</u>	<u>11,380</u>
Depreciation and amortisation					(18,848)
Interest revenue					46
Finance costs					<u>(2,700)</u>
Loss before income tax expense					(10,122)
Income tax expense					<u>(763)</u>
Loss after income tax expense					<u>(10,885)</u>

EBITDA represents earnings before interest, income tax expenses, depreciation and amortisation.

Underlying EBITDA is a financial measure which is not prescribed by IFRS and represents the profit under IFRS which has been adjusted to eliminate the effects of tax, depreciation, amortisation, fair value adjustments, impairment expenses, loss on disposal of assets and other one-off items including restructuring costs. In the prior year, underlying EBITDA has also been adjusted to exclude the impact of exited business and proceeds from legal settlement.

IFRS 16 was adopted using the modified retrospective approach on 1 July 2019. As such, the comparatives have not been restated and therefore are not directly comparable.

Prior year – restated presentation

The comparative segment note has been restated accordingly to reflect the revised geographical/reportable operating segments.

<i>Consolidated – 2019</i>	<i>South East</i>		<i>North Asia</i>	<i>Head Office</i>	<i>Total</i>
	<i>ANZ</i>	<i>Asia</i>			
	<i>AUD\$'000</i>	<i>AUD\$'000</i>	<i>AUD\$'000</i>	<i>AUD\$'000</i>	<i>AUD\$'000</i>
Revenue					
SaaS – recognised over time	69,481	11,027	5,031	–	85,539
VAS – recognised at a point in time	18,157	12,908	5,863	–	36,928
Total revenue	<u>87,638</u>	<u>23,935</u>	<u>10,894</u>	<u>–</u>	<u>122,467</u>
Underlying EBITDA	34,408	4,035	(1,042)	(14,341)	23,060
Restructuring costs	(806)	(188)	(288)	(682)	(1,964)
Other	–	394	–	(647)	(253)
Fair value adjustment on contingent consideration	–	–	–	3	3
Impairment of assets	(38,050)	(2,310)	(599)	–	(40,959)
Loss on disposal of assets	–	(41)	(36)	(111)	(188)
EBITDA	<u>(4,448)</u>	<u>1,890</u>	<u>(1,965)</u>	<u>(15,778)</u>	<u>(20,301)</u>
Depreciation and amortisation					(15,092)
Interest revenue					80
Finance costs					<u>(2,233)</u>
Loss before income tax benefit					(37,546)
Income tax benefit					<u>3,205</u>
Loss after income tax benefit					<u>(34,341)</u>
<i>Consolidated – 2018</i>	<i>ANZ</i>	<i>Asia/RoW</i>	<i>Head Office</i>	<i>Total</i>	
	<i>AUD\$'000</i>	<i>AUD\$'000</i>	<i>AUD\$'000</i>	<i>AUD\$'000</i>	
Revenue					
SaaS – recognised over time	79,361	15,628	–	94,989	
VAS – recognised at a point in time	18,352	19,228	–	37,580	
Content marketing	2,652	1,918	–	4,570	
Total revenue	<u>100,365</u>	<u>36,774</u>	<u>–</u>	<u>137,139</u>	
Underlying EBITDA	40,218	4,819	(11,926)	33,111	
EBITDA loss from content marketing	(3,985)	(523)	–	(4,508)	
Restructuring costs	(538)	(391)	(928)	(1,857)	
Other	–	–	(812)	(812)	
Fair value adjustment on contingent consideration	–	–	1,850	1,850	
Proceeds from legal settlement	–	–	1,100	1,100	
Impairment of assets	–	(158)	(1,685)	(1,843)	
Loss on disposal of assets	–	(1,050)	510	(540)	
EBITDA	<u>35,695</u>	<u>2,697</u>	<u>(11,891)</u>	<u>26,501</u>	
Depreciation and amortisation				(16,126)	
Depreciation and amortisation – content marketing				(4,702)	
Interest revenue				92	
Finance costs				<u>(2,284)</u>	
Profit before income tax expense				3,481	
Income tax expense				<u>(2,196)</u>	
Profit after income tax expense				<u>1,285</u>	

Note 4. Revenue

	2020	Consolidated 2019	2018
	AUD\$'000	AUD\$'000	AUD\$'000
Rendering of Services	<u>110,254</u>	<u>122,467</u>	<u>137,139</u>

Disaggregation of revenue

Refer note 3 operating segments for information relating to revenue from external customers by type of service and geographic region.

Note 5. Other income

	2020	Consolidated 2019	2018
	AUD\$'000	AUD\$'000	AUD\$'000
Government grants	14	17	6
Fair value adjustment on contingent consideration (note 30)	1,260	3	1,850
Other income – customer referral fees	654	–	–
Other income – rental relief	70	–	–
Other income – proceeds from legal settlement	–	–	1,100
Other income	<u>1,998</u>	<u>20</u>	<u>2,956</u>

Note 6. North Asia Business and content marketing exit expense

Exit content marketing and refocus on Media Intelligence business

The Group exited content marketing in the year ended 30 June 2018.

Loss before income tax included the following specific costs relating to the exit of the content marketing business:

	2020	Consolidated 2019	2018
	AUD\$'000	AUD\$'000	AUD\$'000
Accelerated amortisation expense	–	–	4,702
Impairment of assets	–	–	1,685
Loss on disposal of assets	–	–	265
Redundancy costs	–	–	448
Total content marketing exit expenses	<u>–</u>	<u>–</u>	<u>7,100</u>

Exit of the North Asia business

Following a strategic review, the Group has decided to exit the loss making North Asian operations due to the poor alignment of this business to the Group's business strategy and the substantial capital investment needed to meet the unique customer requirements to reach scale in this market.

Note 7. Expenses

(Loss)/profit before income tax includes the following specific expenses:

	2020 AUD\$'000	<i>Consolidated</i> 2019 AUD\$'000	2018 AUD\$'000
<i>Depreciation</i>			
Leasehold improvements	412	441	495
Furniture and fittings	171	143	143
Office equipment	127	486	155
Computer equipment	686	906	1,026
Property right-of-use assets	3,610	–	–
Equipment right-of-use-assets	381	–	–
Software right-of-use assets	130	–	–
Total depreciation	<u>5,517</u>	<u>1,976</u>	<u>1,819</u>
<i>Amortization</i>			
Customer relationships and contracts	7,310	7,623	7,807
Acquired software	1,158	1,097	1,480
Internally generated software	4,863	4,396	5,020
Total amortization	<u>13,331</u>	<u>13,116</u>	<u>14,307</u>
Total depreciation and amortisation	<u>18,848</u>	<u>15,092</u>	<u>16,126</u>
<i>Impairment</i>			
Goodwill	7,100	18,975	158
Purchased software	45	301	–
Internally generated software	201	2,906	–
Brands	–	18,777	–
Customer relationships and contracts	2,406	–	–
Leasehold improvements	44	–	–
Furniture and fittings	8	–	–
Office equipment	36	–	–
Computer equipment	43	–	–
Property right-of-use assets	549	–	–
Total Impairment	<u>10,432</u>	<u>40,959</u>	<u>158</u>
<i>Impairment of receivables</i>			
Bad and doubtful debt expense	<u>901</u>	<u>602</u>	<u>–</u>
<i>Finance Costs</i>			
Interest and finance charges paid/payable	2,047	2,093	2,194
Interest and finance charges paid/payable on lease liabilities	452	–	–
Loan establishment fee and other facility cost	201	140	90
Finance costs expensed	<u>2,700</u>	<u>2,233</u>	<u>2,284</u>
<i>Net foreign exchange fluctuation</i>			
Net foreign exchange loss/(gain)	<u>178</u>	<u>37</u>	<u>31</u>
<i>Rental expense relating to operating leases</i>			
Short-term lease payments	<u>949</u>	<u>4,755</u>	<u>4,976</u>
<i>Superannuation expense and statutory contribution</i>			
Defined contribution superannuation expense	<u>4,585</u>	<u>4,690</u>	<u>5,182</u>

* The Group has received \$374,000 of government subsidies in Singapore and Hong Kong during the COVID-19 pandemic in the year ended 30 June 2020 (30 June 2019: nil, 30 June 2018: nil). It is recognised as a deduction from the Employment benefits expense.

Note 8. Income tax expense/(benefit)

	2020 AUD\$'000	2019 AUD\$'000	2018 AUD\$'000
<i>Income tax expense/(benefit)</i>			
Current tax expense	1,541	3,720	2,060
Deferred tax – origination and reversal of temporary differences	(596)	(6,818)	(81)
Prior year (over)/under	(182)	(107)	217
Aggregate income tax expense/(benefit)	<u>763</u>	<u>(3,205)</u>	<u>2,196</u>
Deferred tax included in income tax expense/(benefit) comprises:			
Decrease in deferred tax assets (note 15)	704	285	2,212
Decrease in deferred tax liabilities (note 24)	(1,300)	(7,103)	(2,293)
Deferred tax – origination and reversal of temporary differences	<u>(596)</u>	<u>(6,818)</u>	<u>(81)</u>
<i>Numerical reconciliation of income tax expense/(benefit) and tax at the statutory rate</i>			
(Loss)/profit before income tax (expense)/benefit	<u>(10,122)</u>	<u>(37,546)</u>	<u>3,481</u>
Tax at the statutory tax rate of 30%	(3,037)	(11,264)	1,044
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:			
Non-deductible expenses	3,806	8,227	797
Effect of tax rates in overseas jurisdictions	319	344	45
Current year tax loss not recognised	–	–	353
Research and development tax offset	(143)	(405)	(260)
Prior year (over)/under	(182)	(107)	217
Income tax expense/(benefit)	<u>763</u>	<u>(3,205)</u>	<u>2,196</u>
		<i>Consolidated</i>	
	2020	2019	2018
	AUD\$'000	AUD\$'000	AUD\$'000
<i>Amounts charged/(credited) directly to equity</i>			
Deferred tax assets (note 15)	<u>55</u>	<u>(108)</u>	<u>–</u>

Note 9. Cash and cash equivalents

	2020 AUD\$'000	Consolidated 2019 AUD\$'000	2018 AUD\$'000
<i>Current assets</i>			
Cash on hand	16	18	13
Cash at bank	<u>16,102</u>	<u>14,700</u>	<u>11,914</u>
	<u>16,118</u>	<u>14,718</u>	<u>11,927</u>

Reconciliation to cash and cash equivalents at the end of the financial year

The above figures are reconciled to cash and cash equivalents at the end of the financial year as shown in the statement of cash flows as follows:

Balances as above	16,118	14,718	11,927
Cash and cash equivalents – classified as held for sale (note 11)	44	–	–
Balance as per statement of cash flows	<u>16,162</u>	<u>14,718</u>	<u>11,927</u>

Note 10. Trade and other receivables

	<i>Consolidated</i>		
	2020	2019	2018
	AUD\$'000	AUD\$'000	AUD\$'000
Current assets			
Trade receivables	16,139	19,172	21,068
Less: Allowance for expected credit losses	(771)	(533)	(683)
	<u>15,368</u>	<u>18,639</u>	<u>20,385</u>
Other receivables	1,561	1,185	1,972
Security deposits	560	776	800
	<u>17,489</u>	<u>20,600</u>	<u>23,157</u>

Allowance for expected credit losses

The Group has recognised a loss of AUD\$901,000 in profit or loss in respect of impairment of receivables for the year ended 30 June 2020 (2019: loss of AUD\$602,000 2018: loss of AUD\$897,000).

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

	<i>Expected credit loss rate</i>	<i>Expected credit loss rate</i>	<i>Carrying Amount</i>	<i>Carrying Amount</i>	<i>Allowance for expected credit loss</i>	<i>Allowance for expected credit loss</i>
	2020	2019	2020	2019	2020	2019
	AUD\$'000	AUD\$'000	AUD\$'000	AUD\$'000	AUD\$'000	AUD\$'000
Consolidated						
Not overdue	2.27%	0.98%	11,687	14,566	266	143
0 to 3 months overdue	6.29%	4.27%	3,694	4,047	232	173
3 to 6 months overdue	20.95%	17.39%	560	377	117	66
Over 6 months overdue	78.82%	82.99%	198	182	156	151
			<u>16,139</u>	<u>19,172</u>	<u>771</u>	<u>533</u>

The Group has increased its monitoring of debt recovery as there is an increased probability of customers delaying payment or being unable to pay, due to COVID-19. As a result, the calculation of expected credit losses has been revised as at 30 June 2020 and rates have increased in each category up to 6 months overdue.

Movements in the allowance for expected credit losses are as follows:

	<i>Consolidated</i>		
	2020	2019	2018
	AUD\$'000	AUD\$'000	AUD\$'000
Opening balance	533	683	568
Additional provisions recognized	901	602	897
Receivables written off during the year as uncollectable	(663)	(752)	(782)
Closing balance	<u>771</u>	<u>533</u>	<u>683</u>

Note 11. Assets classified as held for sale

	<i>Consolidated 2020 AUD\$'000</i>
<i>Current assets</i>	
Cash and cash equivalents	44
Trade and other receivables	219
Rights-of-use assets	44
	<u>307</u>

Following a strategic review on 26 June 2020, the Group agreed to sell its interest in The Beyond Co. Ltd ('Beyond'), with an initial cash payment of AUD\$122,000 and deferred contingent payments over the next three years. The sale is expected to be completed in August 2020. The above assets of AUD\$307,000 and liabilities of AUD\$185,000 (note 23) of Beyond as of 30 June 2020 are classified as held for sale.

Note 12. Property, plant and equipment

	<i>Consolidated</i>		
	<i>2020</i>	<i>2019</i>	<i>2018</i>
	<i>\$'000</i>	<i>\$'000</i>	<i>\$'000</i>
Leasehold improvements – at cost	2,898	3,116	2,761
Less: Accumulated depreciation	(2,092)	(1,963)	(1,458)
Less: Impairment	(42)	–	–
	<u>764</u>	<u>1,153</u>	<u>1,303</u>
Furniture & fittings – at cost	1,387	1,719	1,668
Less: Accumulated depreciation	(831)	(1,245)	(1,111)
Less: Impairment	(8)	–	–
	<u>548</u>	<u>474</u>	<u>557</u>
Office equipment – at cost	1,412	2,636	2,423
Less: Accumulated depreciation	(1,111)	(1,641)	(1,104)
Less: Impairment	(32)	–	–
	<u>269</u>	<u>995</u>	<u>1,319</u>
Computer equipment	5,987	6,015	5,601
Less: Accumulated depreciation	(5,087)	(4,805)	(4,152)
Less: Impairment	(42)	–	–
	<u>858</u>	<u>1,210</u>	<u>1,449</u>
	<u>2,439</u>	<u>3,832</u>	<u>4,628</u>

Reconciliations

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

<i>Consolidated</i>	<i>Leasehold improvements AUD\$'000</i>	<i>Furniture and fittings AUD\$'000</i>	<i>Office equipment AUD\$'000</i>	<i>Computer equipment AUD\$'000</i>	<i>Total AUD\$'000</i>
Balance at 1 July 2017	1,853	676	292	1,891	4,712
Additions	211	58	1,188	643	2,100
Disposals	(219)	(40)	(8)	(11)	(278)
Reclassification*	(75)	–	–	(128)	(203)
Exchange differences	28	6	2	80	116
Depreciation expense	(495)	(143)	(155)	(1,026)	(1,819)
Balance at 1 July 2018	1,303	557	1,319	1,449	4,628
Additions	277	63	157	668	1,165
Disposals	(10)	(17)	(5)	(45)	(77)
Exchange differences	24	14	10	44	92
Depreciation expense	(441)	(143)	(486)	(906)	(1,976)
Balance at 30 June 2019	1,153	474	995	1,210	3,832
Additions	41	327	58	311	737
Disposals	(17)	(51)	(9)	(14)	(91)
Reclassification*	28	(28)	(16)	53	37
Exchange differences	15	5	4	27	51
Impairment of assets	(44)	(8)	(36)	(43)	(131)
Transfers**	–	–	(600)	–	(600)
Depreciation expense	(412)	(171)	(127)	(686)	(1,396)
Balance at 30 June 2020	764	548	269	858	2,439

* Reclassification between PPE and Intangibles.

** Transferred from finance lease assets to right-of-use assets.

Note 13. Right-of-use assets

	<i>2020 AUD\$'000</i>	<i>Consolidated 2019 AUD\$'000</i>	<i>2018 AUD\$'000</i>
<i>Non-current assets</i>			
Property – right-of-use	10,730	–	–
Less: Accumulated depreciation	(3,468)	–	–
Less: Impairment	(605)	–	–
	6,657	–	–
Equipment – right-of-use	1,170	–	–
Less: Accumulated depreciation	(785)	–	–
	385	–	–
Software – right-of-use	650	–	–
Less: Accumulated depreciation	(152)	–	–
	498	–	–
	7,540	–	–

The Group leases office premises under agreements of between 1 to 4 years with, in some cases, options to extend. The leases have various escalation clauses. On renewal, the terms of the leases are renegotiated. The Group also leases plant and equipment under agreements of between 1 to 3 years.

The Group leases office equipment under agreements of less than 1 year. These leases are either short-term or low-value, so have been expensed as incurred and not capitalised as right-of-use assets.

Reconciliations

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

<i>Consolidated</i>	<i>Property AUD\$'000</i>	<i>Equipment AUD\$'000</i>	<i>Software AUD\$'000</i>	<i>Total AUD\$'000</i>
Balance at 1 July 2018	–	–	–	–
Balance at 30 June 2019	–	–	–	–
Adoption of IFRS 16 on 1 July 2019 (refer note 1)	9,946	166	–	10,112
Transfers*	–	600	628	1,228
Additions	1,181	–	–	1,181
Lease modifications	(342)	–	–	(342)
Exchange differences	75	–	–	75
Impairment of assets	(549)	–	–	(549)
Reclassifications to held for sale	(44)	–	–	(44)
Depreciation expense	(3,610)	(381)	(130)	(4,121)
Balance at 30 June 2020	<u>6,657</u>	<u>385</u>	<u>498</u>	<u>7,540</u>

* Transferred from finance lease assets to right-of-use assets.

Note 14. Intangibles

	<i>Consolidated</i>		
	<i>2020 AUD\$'000</i>	<i>2019 AUD\$'000</i>	<i>2018 AUD\$'000</i>
<i>Non-current assets</i>			
Goodwill – at cost	85,541	88,243	117,762
Less: Accumulated impairment	<u>(30,374)</u>	<u>(25,643)</u>	<u>(37,544)</u>
	55,167	62,600	80,218
Customer relationships and contracts – at cost	67,648	76,676	81,968
Less: Accumulated amortisation	(62,398)	(62,021)	(57,648)
Less: Accumulated impairment	<u>(2,025)</u>	<u>(1,779)</u>	<u>(3,666)</u>
	3,225	12,876	20,654
Purchased software – at cost	11,880	24,937	32,330
Less: Accumulated amortisation	(10,765)	(21,860)	(28,424)
Less: Accumulated impairment	<u>(44)</u>	<u>(300)</u>	<u>(386)</u>
	1,071	2,777	3,520
Internally generated software – at cost	47,154	39,898	32,752
Less: Accumulated amortisation	(22,749)	(17,901)	(13,362)
Less: Accumulated impairment	<u>(2,685)</u>	<u>(2,919)</u>	<u>–</u>
	21,720	19,078	19,360
Brands – at cost	–	18,777	24,726
Less: Accumulated impairment	<u>–</u>	<u>(18,777)</u>	<u>(6,095)</u>
	–	–	18,361
	<u>81,183</u>	<u>97,331</u>	<u>142,383</u>

Reconciliations

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

<i>Consolidated</i>	<i>Goodwill</i>	<i>Customer relationships and contracts</i>	<i>Purchased software</i>	<i>Internally generated software</i>	<i>Brands</i>	<i>Total</i>
	<i>AUD\$'000</i>	<i>AUD\$'000</i>	<i>AUD\$'000</i>	<i>AUD\$'000</i>	<i>AUD\$'000</i>	<i>AUD\$'000</i>
Balance at 1 July 2017	78,891	30,643	7,164	17,864	18,465	153,027
Additions	–	207	1,463	6,951	8	8,629
Disposals	–	(334)	–	(29)	–	(363)
Reclassification*	–	(416)	203	416	–	203
Exchange differences	1,485	46	49	1	158	1,739
Impairment of assets	(158)	–	–	–	–	(158)
Impairment of assets – content marketing	–	(1,685)	–	–	–	(1,685)
Accelerated amortisation	–	–	(3,879)	(823)	–	(4,702)
Amortisation expense	–	(7,807)	(1,480)	(5,020)	–	(14,307)
Balance at 30 June 2018	<u>80,218</u>	<u>20,654</u>	<u>3,520</u>	<u>19,360</u>	<u>18,631</u>	<u>142,383</u>

<i>Consolidated</i>	<i>Goodwill</i>	<i>Customer relationships and contracts</i>	<i>Purchased software</i>	<i>Internally generated software</i>	<i>Brands</i>	<i>Total</i>
	<i>AUD\$'000</i>	<i>AUD\$'000</i>	<i>AUD\$'000</i>	<i>AUD\$'000</i>	<i>AUD\$'000</i>	<i>AUD\$'000</i>
Balance at 1 July 2018	80,218	20,654	3,520	19,360	18,631	142,383
Additions	–	–	672	7,027	45	7,744
Disposals	–	–	(111)	–	–	(111)
Reclassification	–	–	34	(34)	–	–
Exchange differences	1,357	(155)	60	27	101	1,390
Impairment of assets	(18,975)	–	(301)	(2,906)	(18,777)	(40,959)
Amortisation expense	–	(7,623)	(1,097)	(4,396)	–	(13,116)
Balance at 30 June 2019	62,600	12,876	2,777	19,078	–	97,331
Additions	–	–	134	7,706	–	7,840
Disposals	–	–	(16)	–	–	(16)
Reclassification*	–	–	(37)	–	–	(37)
Exchange differences	(333)	65	44	–	–	(224)
Impairment of assets	(7,100)	(2,406)	(45)	(201)	–	(9,752)
Transfers**	–	–	(628)	–	–	(628)
Amortisation expense	–	(7,310)	(1,158)	(4,863)	–	(13,331)
Balance at 30 June 2020	<u>55,167</u>	<u>3,225</u>	<u>1,071</u>	<u>21,720</u>	<u>–</u>	<u>81,183</u>

* Reclassification between PPE and Intangibles.

** Transferred from finance lease assets to right-of-use assets.

Impairment testing

During the financial year, the Group has identified the following indicators of impairment:

- declining asset utilisation for certain identifiable intangibles;
- increased competition in the Australian market; and
- the Group's market capitalisation becoming lower than the carrying value of its net assets.

Impairment testing of the Group's goodwill and intangible assets was performed as at 30 June 2020, 30 June 2019 and 31 December 2018. As part of this process, management reviewed the recoverability of the carrying value of intangible assets including software, brands and customer relationships. The review of specific asset utilisation has resulted in an impairment charge of AUD\$nil (2019: AUD\$18,777,000) of brand names, AUD\$246,000 (2019: AUD\$3,207,000) of software assets and AUD\$2,406,000 (2019: AUD\$nil) of customer relationships and contracts. These specific assets were identified by management as both no

longer being actively used in the business to generate future economic benefits and also do not form part of management's new strategy. Accordingly, these assets have been derecognised as at 30 June 2020 and 30 June 2019.

This year the cash generating units ('CGU') have changed due to the decision to exit the North Asia business as described in note 6. Previously the CGUs were ANZ and Asia however for the current reporting period, the Asia CGU has been split into two CGUs, being South East Asia and North Asia.

Goodwill is tested for impairment at the CGU level, which consists of ANZ, South East Asia and North Asia (2019: ANZ and Asia). This has resulted in an impairment charge of AUD\$7,100,000 in respect of goodwill within the North Asia operating segment (2019: AUD\$18,975,000 in respect of goodwill within the ANZ operating segment).

Allocation of indefinite life intangible assets

The Group's indefinite life intangible assets are allocated to Group's segments as follows:

	2020	<i>Consolidated</i>	2018
	AUD\$'000	2019	AUD\$'000
		AUD\$'000	AUD\$'000
<i>Goodwill</i>			
ANZ	34,324	34,359	52,297
Asia and Rest of the World ('Asia/RoW')	–	28,241	27,921
South East Asia	20,843	–	–
North Asia	–	–	–
	<u>55,167</u>	<u>62,600</u>	<u>80,218</u>

The recoverable amount of the Group's assets has taken into account the CGU for each operating segment and uses the value in use basis.

The following key assumptions were used in the discounted cash flow model for the different operating segments:

- (a) Based on an approved business plan for the next five years from financial years 2020 to 2025.
- (b) Terminal growth rates applied are ANZ 2 per cent. (30 June 2019: 2 per cent. and 2018: 2 per cent.), South East Asia 4 per cent., and North Asia 4 per cent. (30 June 2019: Asia/RoW 4 per cent. and 2018: 9 per cent.). The terminal value growth rate represents the forecast consumer price index for each segment, combined with Gross Domestic Product growth rate expectations in the geographical segments in which the Group operates.
- (c) Weighted average cost of capital post-tax: ANZ 15.5 per cent. (30 June 2019: 15.5 per cent. and 2018: 11.75 per cent.) South East Asia 17.5 per cent., and North Asia 17.5 per cent. (30 June 2019: Asia/RoW 17.5 per cent. and 2018: 15 per cent.). The discount rate represents the underlying cost of capital adjusted for market, country and asset specific risks.

Sensitivity

The revenue and EBITDA forecasted in the approved business plan is a key judgment in management's impairment assessment, and any significant change in achieving these forecasts could lead to an impairment in future periods.

A decrease in net cash flows annually for the next five years that would result in each CGU's recoverable amount falling below its carrying value is as follows: ANZ (decrease of 42.9 per cent.) and South East Asia (decrease of 66.2 per cent.).

A weighted average cost of capital that would result in each CGU's recoverable amount falling below its carrying value is as follows: ANZ (23.7 per cent.) and South East Asia (40.3 per cent.).

A terminal growth rate that would result in each CGU's recoverable amount falling below its carrying value is as follows: ANZ (negative 11.9 per cent.) and South East Asia (negative 250.7 per cent.).

Each of the above sensitivities assumes that a specific assumption moves in isolation, while all other assumptions are held constant. In reality, a change in one of the aforementioned assumptions could be accompanied by a change in another assumption, which may increase or decrease the above percentages.

Note. 15 Deferred tax assets

	2020	<i>Consolidated</i> 2019	2018
	AUD\$'000	AUD\$'000	AUD\$'000
<i>Non-current assets</i>			
Deferred tax assets comprise temporary differences attributable to:			
Amounts recognised in profit and loss:			
Tax losses	–	–	371
Allowance for expected credit losses	109	66	69
Employee benefits	1,234	1,312	938
Provision for lease make good	46	50	50
Provision for audit fees	134	105	103
Accrued lease incentives	–	68	68
Lease liabilities	2,015	–	–
Accruals and prepayments	298	273	106
Unrealised foreign exchange gain/loss	333	316	421
Intangibles	1,137	1,199	1,253
Acquisition costs	18	59	95
Property, plant and equipment	–	(7)	(15)
	<u>5,324</u>	<u>3,441</u>	<u>3,459</u>
Amounts recognised in equity			
Derivative financial instruments	28	100	–
Foreign currency reserve	17	–	–
	<u>45</u>	<u>100</u>	<u>–</u>
Deferred tax assets	<u>5,369</u>	<u>3,541</u>	<u>3,459</u>
<i>Movements:</i>			
Opening balance	3,541	3,459	5,320
Charged to profit or loss (note 8)	(704)	(285)	(2,212)
Credited/(charged) to equity (note 8)	(55)	108	–
Adoption of IFRS 16 on 1 July 2019	2,007	–	–
Adjustments to profit or loss – prior year under/over	584	232	358
Exchange differences	(4)	27	(7)
Closing balance	<u>5,369</u>	<u>3,541</u>	<u>3,459</u>

Note 16. Trade and other payables

	2020	<i>Consolidated</i> 2019	2018
	AUD\$'000	AUD\$'000	AUD\$'000
<i>Current liabilities</i>			
Trade payable	3,392	2,817	2,344
Accrued expenses	10,069	14,606	9,367
Other payables	266	370	516
	<u>13,727</u>	<u>17,793</u>	<u>12,227</u>

Refer to note 29 for further information on financial instruments.

Note 17. Contract liabilities

	2020	Consolidated 2019	2018
	AUD\$'000	AUD\$'000	AUD\$'000
<i>Current liabilities</i>			
Contract liabilities	5,006	5,167	5,717

The Group has applied the practical expedient permitted by IFRS 15 to not disclose the transaction price allocated to performance obligations unsatisfied (or partially unsatisfied) as of the end of the reporting period. This is due to contracts typically having an original expected duration of a year or less resulting in amounts that comprise contract liabilities balances at 30 June 2019 being recognised in the revenue during the year and not forming part of contract liabilities balances at 30 June 2020.

Note 18. Borrowings

	2020	Consolidated 2019	2018
	AUD\$'000	AUD\$'000	AUD\$'000
<i>Current liabilities</i>			
Bank loans	4,000	3,750	–
Prepaid facility loans	(185)	–	–
	<u>3,815</u>	<u>3,750</u>	<u>–</u>
<i>Non-current liabilities</i>			
Bank loans	36,750	39,250	55,000
Prepaid facility costs	(15)	(79)	(69)
	<u>36,735</u>	<u>39,171</u>	<u>54,931</u>
	<u>40,550</u>	<u>42,921</u>	<u>54,931</u>

Refer to note 29 for further information on financial instruments.

Assets pledged as security

On 20 December 2019, the Group entered into a fourth amendment and restatement deed with the total bank loans facility of AUD\$49,000,000, including amortising facility A1 (AUD\$35,000,000), revolving facility A2 (AUD\$11,000,000), and multi-option credit facility B (AUD\$3,000,000). The bank loans are secured by a fixed and floating charge over the Group's assets. The renewed facility's maturity date is 31 July 2021. Under the amended facility, the Group shall repay principal of AUD\$750,000 per quarter, with the first repayment on 31 December 2019. Under the amended facility, the Group repaid AUD\$2,250,000 of principal during the year ended 30 June 2020.

On 31 March 2020, the Group entered into a Trade Finance Facility to replace the revolving facility A2. Under the Trade Finance Facility, the aggregate of all outstanding advances shall not exceed the lesser of:

- (a) 80 per cent. of the aggregate value of Eligible Trade Receivables listed in the current Debtor Certificate; and
- (b) the Limit of AUD\$13,000,000

80 per cent. of Eligible Trade Receivable is AUD\$11,414,000 as at 30 June 2020.

The Group is currently in the process of refinancing its loan facilities.

Financing arrangements

Unrestricted access was available at the reporting date to the following lines of credit:

	2020	Consolidated 2019	2018
	AUD\$'000	AUD\$'000	AUD\$'000
<i>Current liabilities</i>			
Bank loans	47,164	61,000	75,000
<i>Used at the reporting date</i>			
Bank loans	40,750	43,000	55,000
<i>Unused at the reporting date</i>			
Bank loans	6,414	18,000	20,000

As at 30 June 2020, the remaining facility \$6,414,000 includes a \$3,000,000 multi-option credit facility, of which \$431,000 has been used in the form of bank guarantee. As at 30 June 2019, of the \$18,000,000 remaining facility, \$1,000,000 relates to bank guarantee facility of which \$431,000 has been used.

Note 19. Derivative financial instruments

	2020	Consolidated 2019	2018
	AUD\$'000	AUD\$'000	AUD\$'000
<i>Non-current liabilities</i>			
Interest rate swap contracts – cash flow hedges	<u>92</u>	<u>335</u>	<u>–</u>

Refer to note 29 for further information on financial instruments.

Refer to note 30 for further information on fair value measurement.

Note 20. Lease liabilities

	2020	Consolidated 2019	2018
	AUD\$'000	AUD\$'000	AUD\$'000
<i>Current liabilities</i>			
Lease liability	3,761	597	325
<i>Non-current liabilities</i>			
Lease liability	<u>4,654</u>	<u>566</u>	<u>571</u>
	<u>8,415</u>	<u>1,163</u>	<u>896</u>

Refer to note 29 for further information on financial instruments.

Reconciliation

Reconciliation of lease liabilities at the beginning and end of financial year are set out below:

	<i>Consolidated</i> 2020 AUD\$'000
Balance at 1 July 2019	1,163
Adoption of IFRS 16 on 1 July 2019 (refer Note 1)	10,455
Lease modification	(343)
Additions	1,181
Interest	452
Repayment of lease liabilities*	(4,482)
Exchange differences	95
Reclassification to held-for-sale	(106)
Balance at 30 June 2020	<u>8,415</u>

* In the statement of cash flows payment of interest component of AUD\$452,000 is included within operating activities and repayment of lease liabilities (excluding finance cost) of AUD\$4,030,000 is including within financing activities.

Note 21. Provisions

	<i>2020</i> AUD\$'000	<i>Consolidated</i> 2019 AUD\$'000	<i>2018</i> AUD\$'000
<i>Current liabilities</i>			
Employee benefits	5,364	5,428	5,487
Restructuring	2,599	–	–
	<u>7,963</u>	<u>5,428</u>	<u>5,487</u>
<i>Non-current liabilities</i>			
Employee benefits	91	138	292
Deferred lease incentives	–	297	225
Lease make-good	154	167	167
	<u>245</u>	<u>602</u>	<u>684</u>
	<u>8,208</u>	<u>6,030</u>	<u>6,171</u>

Deferred lease incentives

The provision represents lease incentives received. The incentives are allocated to profit or loss in such a manner that the rent expense is recognised on a straight-line basis over the lease term.

Lease make good

The provision represents the present value of the estimated costs to make good the premises leased by the Group at the end of the respective lease terms.

Restructuring

The provision represents the estimated costs to restructure the North Asia business following the decision to exit the North Asia market, including severance payments, liquidation professional fees and other associated costs.

Movements in provisions

Movements in each class of provision during the current financial year, other than employee benefits, are set out below:

	<i>Restructuring</i> AUD\$'000	<i>Deferred lease incentives</i> AUD\$'000	<i>Lease make-good</i> AUD\$'000
<i>Consolidated – 2020</i>			
Carrying amount at the start of the year	–	297	167
Additional provisions recognised	2,599	–	–
Amounts used	–	(297)	(13)
Carrying amount at the end of the year	<u>2,599</u>	<u>–</u>	<u>154</u>

	<i>Deferred lease incentives</i> AUD\$'000	<i>Lease make-good</i> AUD\$'000
<i>Consolidated – 2019</i>		
Carrying amount at the start of the year	<u>225</u>	<u>167</u>
Additional provisions recognised	72	–
Carrying amount at the end of the year	<u>297</u>	<u>167</u>

Amounts not expected to be settled within the next 12 months

The current provision for employee benefits includes all unconditional entitlements where employees have completed the required period of service and also those where employees are entitled to *pro-rata* payments in certain circumstances. The entire amount is presented as current, since the Group does not have an unconditional right to defer settlement. However, based on past experience, the Group does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

The following amounts reflect leave that is not expected to be taken within the next 12 months:

	<i>2020</i> AUD\$'000	<i>Consolidated 2019</i> AUD\$'000	<i>2018</i> AUD\$'000
Employee benefits obligation expected to be settled after 12 months	<u>436</u>	<u>488</u>	<u>603</u>

Note 22. Contingent consideration

	<i>2020</i> AUD\$'000	<i>Consolidated 2019</i> AUD\$'000	<i>2018</i> AUD\$'000
<i>Current liabilities</i>			
Contingent consideration	–	709	3,172
<i>Non-current liabilities</i>			
Contingent consideration	–	551	551
	<u>–</u>	<u>1,260</u>	<u>3,723</u>

Refer to note 30 for further information on fair value measurement.

Upon the sale of Beyond (note 11), the contingent consideration is no longer payable. As a result, the balance is recognised as an other income in the Statement of profit or loss and other comprehensive income.

Note 23. Liabilities directly associated with assets classified as held for sale

	<i>Consolidated 2020 AUD\$'000</i>
<i>Current liabilities</i>	
Trade payables and other payables	65
Lease liability	106
Provision for tax	14
	<u>185</u>

The above liabilities of \$185,000 of Beyond as of 30 June 2020 are classified as held for sale. Refer to note 11 for further details.

Note 24. Deferred tax liabilities

	<i>2020 AUD\$'000</i>	<i>Consolidated 2019 AUD\$'000</i>	<i>2018 AUD\$'000</i>
<i>Non – Current liabilities</i>			
Deferred tax liability comprises temporary differences attributable to:			
Amounts recognised in profit or loss:			
Customer relationships and contracts from acquisition	–	2,121	3,852
Brands from acquisitions	–	–	5,467
Internally generated software	5,921	5,005	4,910
Rights-of-use assets	1,873	–	–
Foreign currency translation	36	–	–
Deferred tax liability	<u>7,830</u>	<u>7,126</u>	<u>14,229</u>
<i>Movements:</i>			
Opening balance	7,126	14,229	17,105
Credited to profit or loss (note 8)	(1,300)	(7,103)	(2,293)
Adoption of IFRS 16 on 1 July 2019	2,004	–	–
Adjustments to profit or loss – prior year under/over	–	–	(583)
Closing balance	<u>7,830</u>	<u>7,126</u>	<u>14,229</u>

Note 25. Issued capital

	<i>2020 Shares</i>	<i>2019 Shares</i>	<i>Consolidated 2018 Shares</i>	<i>2020 AUD\$'000</i>	<i>2019 AUD\$'000</i>	<i>2018 AUD\$'000</i>
Ordinary shares – fully paid	<u>200,000,001</u>	<u>200,000,001</u>	<u>200,000,001</u>	<u>403,662</u>	<u>403,662</u>	<u>403,662</u>

Ordinary shares

Ordinary shares entitle the holder to participate in any dividends declared and any proceeds attributable to shareholders should the company be wound up, in proportions that consider both the number of shares held and the extent to which those shares are paid up. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Share buy-back

There was no on-market buy-back of Isentia Group Limited shares.

Capital risk management

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

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

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 would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current Company's share price at the time of the investment. The Group is not actively pursuing additional investments in the short-term as it continues to integrate and grow its existing businesses in order to maximise synergies.

The Group is subject to certain financing arrangements covenants and meeting these is given priority in all capital risk management decisions. There have been no events of default on the financing arrangements during the financial year.

The capital risk management policy remains unchanged from the 30 June 2019 Annual Report.

Note 26. Reserves

	2020	<i>Consolidated</i> 2019	2018
	AUD\$'000	AUD\$'000	AUD\$'000
Foreign currency reserves	6,360	6,575	5,074
Heading reserve – cash flow hedges	(64)	(234)	–
Share-based payments reserve	2,657	2,207	1,388
Capital reserve	<u>(258,229)</u>	<u>(258,229)</u>	<u>(258,229)</u>
	<u>(249,276)</u>	<u>(249,681)</u>	<u>(251,767)</u>

Foreign currency reserve

The reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to Australian dollars. It is also used to recognise gains and losses on hedges of the net investments in foreign operations.

Hedging reserve – cash flow hedges

The reserve is used to recognise the effective portion of the gain or loss of cash flow hedge instruments that is determined to be an effective hedge.

Share-based payments reserve

The reserve is used to recognise the value of equity benefits provided to employees and directors as part of their remuneration, and other parties as part of their compensation for services.

Capital reserve

The reserve is used to recognise contributions from or to Isentia Group Limited and its controlled subsidiaries by shareholders and to recognise the acquisition of non-controlling interest.

Movements in reserves

Movements in each class of reserve during the current and previous financial year are set out below:

<i>Consolidated</i>	<i>Foreign currency AUD\$'000</i>	<i>Hedging AUD\$'000</i>	<i>Share-based payment AUD\$'000</i>	<i>Capital AUD\$'000</i>	<i>Total AUD\$'000</i>
Balance at 1 July 2017	2,658	–	1,898	(258,229)	(253,673)
Foreign currency translation	2,416	–	–	–	2,416
Share-based payment	–	–	(510)	–	(510)
Balance at 1 July 2018	5,074	–	1,388	(258,229)	(251,767)
Foreign currency translation	1,501	–	–	–	1,501
Net change in fair value of cash flow hedges	–	(234)	–	–	(234)
Share-based payment	–	–	819	–	819
Balance at 30 June 2019	6,575	(234)	2,207	(258,229)	(249,681)
Foreign currency translation	(215)	–	–	–	(215)
Net change in fair value of cash flow hedges	–	170	–	–	170
Share-based payment	–	–	450	–	450
Balance at 30 June 2020	<u>6,360</u>	<u>(64)</u>	<u>2,657</u>	<u>(258,229)</u>	<u>(249,276)</u>

Note 27. Accumulated losses

	<i>2020 AUD\$'000</i>	<i>2019 AUD\$'000</i>	<i>2018 AUD\$'000</i>
Accumulated losses at the beginning of the financial year	(95,766)	(61,425)	(55,256)
Adjustment for the first time adoption of IFRS 16 (note 1)	(63)	–	–
Accumulated losses at the beginning of the financial year – restated	(95,829)	(61,425)	–
Loss after income tax (expense)/benefit for the year	(10,885)	(34,341)	1,285
Dividends paid	–	–	(7,454)
Accumulated losses at the end of the financial year	<u>(106,714)</u>	<u>(95,766)</u>	<u>(61,425)</u>

Note 28. Dividends

Dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

	<i>2020 AUD\$'000</i>	<i>2019 AUD\$'000</i>	<i>2018 AUD\$'000</i>
Final dividend for the year ended 30 June 2017 of 3.08 cents per ordinary share	–	–	6,160
Interim dividend for the year ended 30 June 2018 of 0.647 cent per ordinary share	–	–	1,294
	<u>–</u>	<u>–</u>	<u>7,454</u>

Franking credits

	<i>2020 AUD\$'000</i>	<i>Consolidated 2019 AUD\$'000</i>	<i>2018 AUD\$'000</i>
Franking credits available for subsequent financial years based on a tax rate of 30%	<u>1,880</u>	<u>541</u>	<u>1,759</u>

The above amounts represent the balance of the franking account as at the end of the financial year, adjusted for:

- franking credits that will arise from the payment of the amount of the provision for income tax at the reporting date
- franking debits that will arise from the payment of dividends recognised as a liability at the reporting date
- franking credits that will arise from the receipt of dividends recognised as receivables at the reporting date

Note 29. Financial instruments

Financial risk management objectives

The Group's activities expose it to a variety of financial risks: market risk (including foreign currency risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group uses derivative financial instruments such as interest rate contracts to hedge certain risk exposures. Derivatives are exclusively used for hedging purposes, i.e. not as trading or other speculative instruments. The Group 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 and foreign exchange risks and ageing analysis for credit risk.

Market risk

Foreign currency risk

The Group undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations.

Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting.

The carrying amount of the Group's foreign currency denominated financial assets and financial liabilities at the reporting date were as follows:

	Assets			Liabilities		
	2020	2019	2018	2020	2019	2018
	AUD\$'000	AUD\$'000	AUD\$'000	AUD\$'000	AUD\$'000	AUD\$'000
US dollars	1,203	1,455	980	33	2	5
Singapore dollars	4	–	61	–	–	–
Malaysian ringgit	7	–	–	–	–	–
Others	2	–	175	6	49	19
	<u>1,216</u>	<u>1,455</u>	<u>1,216</u>	<u>39</u>	<u>51</u>	<u>24</u>

The Group had net assets denominated in foreign currencies of AUD\$1,177,000 (assets AUD\$1,216,000 less liabilities \$39,000) as at 30 June 2020 (2019: AUD\$1,404,000 (assets \$1,455,000 less liabilities \$51,000 and 2018: \$1,192,000 (assets AUD\$1,216,000 less liabilities AUD\$24,000)). Based on this exposure, had the Australian dollar weakened by 10 per cent./strengthened by 10 per cent. (2019: weakened by 10 per cent./strengthened by 10 per cent. and 2018: weakened by 10 per cent./strengthened by 10 per cent.) against these foreign currencies with all other variables held constant, the Group's loss before tax for the year and equity would have been AUD\$118,000 higher/\$118,000 lower (2019: AUD\$140,000 higher/AUD\$140,000 lower and 2018: AUD\$119,000 lower/AUD\$119,000 higher). The percentage change is the expected overall volatility of the significant currencies, which is based on management's assessment of reasonable possible fluctuations taking into consideration movements over the last six months each year and the spot rate at each reporting date. The actual foreign exchange loss for the year ended 30 June 2020 was AUD\$178,000 (2019: loss of AUD\$37,000 and 2018: loss of AUD\$31,000).

Price risk

The Group is not exposed to any significant price risk.

Interest rate risk

The Group's main interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the Group to interest rate risk. Borrowings issued at fixed rates expose the Group to fair value interest rate risk.

As at the reporting date, the Group had the following variable rate cash balances and borrowings:

	<i>2020</i> <i>Balance</i> <i>AUD\$'000</i>	<i>2019</i> <i>Balance</i> <i>AUD\$'000</i>	<i>2018</i> <i>Balance</i> <i>AUD\$'000</i>
Bank loans	40,750	43,000	55,000
Interest rate swaps contracts – cash flow hedges (notional principal amount)	(27,500)	(27,500)	–
Cash at bank	(16,161)	(14,700)	(11,914)
Net exposure to cash flow interest rate risk	<u>(2,911)</u>	<u>800</u>	<u>43,086</u>

An official increase/decrease in interest rates of 50 (2019: 50 and 2018: 50) basis points would have an adverse/favourable effect on loss before tax of AUD\$15,000 (2019: AUD\$4,000 and 2018: AUD\$215,000) per annum based on the net balance.

Derivatives interest rate swap

The Group has entered into interest rate swap contracts with notional/principal value as at 30 June 2020 of AUD\$27,500,000 (2019: AUD\$27,500,000 and 2018: AUD\$nil). The interest rate swap contract hedges the Group's risk against an increase in variable interest rate. The contracts mature on 31 August 2020. The weighted average fixed rate is 2.12 per cent. The swap was 100 per cent. effective, i.e. hedging gains or losses were recognised in other comprehensive income and AUD\$nil ineffectiveness to profit or loss.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits. The Group obtains guarantees where appropriate to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial information. The Group does not hold any collateral.

The Group has adopted a lifetime expected loss allowance in estimating expected credit losses to trade receivables through the use of a provisions matrix using fixed rates of credit loss provisioning. These provisions are considered representative across all customers of the Group based on recent sales experience, historical collection rates and forward- looking information that is available. As disclosed in note 10, due COVID-19, the calculation of expected credit losses has been revised as at 30 June 2020 and rates have increased in each category up to 6 months overdue.

Generally, trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than 1 year.

Liquidity risk

Vigilant liquidity risk management requires the Group to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The Group manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Financing arrangements

Unused borrowing facilities at the reporting date:

	2020 AUD\$'000	Consolidated 2019 AUD\$'000	2018 AUD\$'000
Bank Loans	<u>6,414</u>	<u>18,000</u>	<u>20,000</u>

Of the AUD\$6,414,000 remaining facility, AUD\$3,000,000 relates to multi-option facility, of which AUD\$431,000 has been used for bank guarantees (2019: \$431,000 of remaining facility has been used for bank guarantees and 2018: AUD\$274,000 of remaining facility has been used for bank guarantees).

Remaining contractual maturities

The following tables detail the Group's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

<i>Consolidated – 2020</i>	<i>Weighted average interest rate %</i>	<i>1 year or less AUD\$'000</i>	<i>Between 1 and 2 years AUD\$'000</i>	<i>Between 2 and 5 years AUD\$'000</i>	<i>Over 5 years AUD\$'000</i>	<i>Remaining contractual maturities AUD\$'000</i>
Non-derivatives						
<i>Non-interest bearing</i>						
Trade payables	–	3,392	–	–	–	3,392
Other payables	–	266	–	–	–	266
<i>Interest-bearing – variable</i>						
Bank loans	4.81%	5,890	36,900	–	–	42,790
Lease liability	4.54%	4,080	2,652	2,258	–	8,990
Total non-derivatives		<u>13,628</u>	<u>39,552</u>	<u>2,258</u>	<u>–</u>	<u>55,438</u>
Derivatives						
Interest rate swaps net settled	–	92	–	–	–	92
Total derivatives		<u>92</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>92</u>
<i>Consolidated – 2019</i>	<i>Weighted average interest rate %</i>	<i>1 year or less AUD\$'000</i>	<i>Between 1 and 2 years AUD\$'000</i>	<i>Between 2 and 5 years AUD\$'000</i>	<i>Over 5 years AUD\$'000</i>	<i>Remaining contractual maturities AUD\$'000</i>
Non-derivatives						
<i>Non-interest bearing</i>						
Trade payables	–	2,817	–	–	–	2,817
Other payables	–	370	–	–	–	370
Contingent consideration	–	709	573	–	–	1,282
<i>Interest-bearing – variable</i>						
Bank loans	4.00%	5,396	39,517	–	–	44,913
<i>Interest-bearing – fixed rate</i>						
Lease liability	4.44%	644	468	116	–	1,228
Total non-derivatives		<u>9,936</u>	<u>40,558</u>	<u>116</u>	<u>–</u>	<u>50,610</u>
Derivatives						
Interest rate swaps net settled	–	–	335	–	–	335
Total derivatives		<u>–</u>	<u>335</u>	<u>–</u>	<u>–</u>	<u>335</u>

<i>Consolidated – 2018</i>	<i>Weighted average interest rate %</i>	<i>1 year or less AUD\$'000</i>	<i>Between 1 and 2 years AUD\$'000</i>	<i>Between 2 and 5 years AUD\$'000</i>	<i>Over 5 years AUD\$'000</i>	<i>Remaining contractual maturities AUD\$'000</i>
Non-derivatives						
<i>Non-interest bearing</i>						
Trade payables	–	2,344	–	–	–	2,344
Other payables	–	516	–	–	–	516
Contingent consideration	–	3,172	573	–	–	3,745
<i>Interest-bearing – variable</i>						
Bank loans	3.49%	1,922	55,047	–	–	56,969
<i>Interest-bearing – fixed rate</i>						
Lease liability	3.90%	354	354	236	–	944
Total non-derivatives		<u>8,308</u>	<u>55,974</u>	<u>236</u>	<u>–</u>	<u>64,518</u>

Note 30. Fair value measurement

Fair value hierarchy

The following tables detail the Group's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: Unobservable inputs for the asset or liability

<i>Consolidated – 2020</i>	<i>Level 1 AUD\$'000</i>	<i>Level 2 AUD\$'000</i>	<i>Level 3 AUD\$'000</i>	<i>Total AUD\$'000</i>
<i>Liabilities</i>				
Interest rate swap contracts – cash flow hedges	–	92	–	92
Total liabilities	<u>–</u>	<u>92</u>	<u>–</u>	<u>92</u>

<i>Consolidated – 2019</i>	<i>Level 1 AUD\$'000</i>	<i>Level 2 AUD\$'000</i>	<i>Level 3 AUD\$'000</i>	<i>Total AUD\$'000</i>
<i>Liabilities</i>				
Interest rate swap contracts – cash flow hedges	–	335	–	335
Contingent consideration	–	–	1,260	1,260
Total Liabilities	<u>–</u>	<u>335</u>	<u>1,260</u>	<u>1,595</u>

<i>Consolidated – 2018</i>	<i>Level 1 AUD\$'000</i>	<i>Level 2 AUD\$'000</i>	<i>Level 3 AUD\$'000</i>	<i>Total AUD\$'000</i>
<i>Liabilities</i>				
Contingent consideration	–	–	3,723	3,723
Total liabilities	<u>–</u>	<u>–</u>	<u>3,723</u>	<u>3,723</u>

Assets and liabilities held for sale are measured at fair value on a non-recurring basis. There were no transfers between levels during the financial year.

Valuation techniques for fair value measurements categorised within level 2 and level 3

Contingent consideration is valued at each reporting date based on the likely settlement amount, discounted to present value. The fair value is determined using the discounted cash flow method. Significant unobservable valuation inputs in relation to contingent consideration include estimated revenue and the discount rate.

Level 3 assets and liabilities

Movements in level 3 assets and liabilities during the current and previous financial year are set out below:

	<i>Contingent consideration AUD\$'000</i>
<i>Consolidated</i>	
Balance at 1 July 2017	7,952
Losses recognised in profit or loss	(1,850)
Exchange difference	7
Contingent consideration payout	(2,386)
Balance at 1 July 2018	3,723
Losses recognised in profit or loss	(3)
Exchange differences	22
Contingent consideration payout	(2,482)
Balance at 30 June 2019	1,260
Gains recognised in profit or loss	(1,260)
Balance at 30 June 2020	-

Note 31. Key management personnel disclosures

Compensation

The aggregate compensation made to directors and other members of key management personnel of the Group is set out below:

	<i>2020 AUD\$'000</i>	<i>Consolidated 2019 AUD\$'000</i>	<i>2018 AUD\$'000</i>
Short-term employee benefits	1,890,453	2,068,203	2,962,657
Post-employment benefits	87,132	85,704	116,240
Long term benefits	-	-	16,680
Share-based payments	626,333	530,716	(338,055)
	<u>2,603,918</u>	<u>2,684,623</u>	<u>2,757,522</u>

Note 32. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by Deloitte Touche Tohmatsu, the auditor of the Company, its network firms and unrelated firms:

	2020	<i>Consolidated</i>	
	AUD\$'000	2019	2018
	AUD\$'000	AUD\$'000	AUD\$'000
<i>Audit services – Deloitte Touche Tohmatsu</i>			
Audit or review of the financial statements	312,500	323,000	322,000
<i>Other services – Deloitte Touche Tohmatsu</i>			
Tax services	110,250	91,600	75,000
Consulting services	125,000	–	–
	<u>547,750</u>	<u>414,600</u>	<u>397,000</u>
<i>Audit services – Deloitte International Associates – Services provided to International Subsidiaries</i>			
Audit or review of the financial statements	103,299	107,397	140,718
<i>Other services – Deloitte International Associates</i>			
Tax Services	11,641	11,381	12,419
	<u>114,940</u>	<u>118,778</u>	<u>153,137</u>
<i>Audit services – unrelated firms</i>			
Audit or review of the financial statements	35,726	44,658	43,226
<i>Other services – unrelated firms</i>			
Tax compliance services	27,809	14,285	122,048
	<u>63,535</u>	<u>58,943</u>	<u>165,274</u>

Unrelated firms are for audit firms not related to Deloitte Touche Tohmatsu.

Note 33. Contingent liabilities

	2020	<i>Consolidated</i>	
	AUD\$'000	2019	2018
	AUD\$'000	AUD\$'000	AUD\$'000
Bank guarantees	<u>431</u>	<u>431</u>	<u>274</u>

All bank guarantees relate to office leases.

Note 34. Commitments

	2020	Consolidated 2019	2018
	AUD\$'000	AUD\$'000	AUD\$'000
<i>Lease commitments – operating</i>			
Committed at the reporting date but not recognised as liabilities, payable:			
Within one year	220	3,633	3,539
One to five years	304	6,788	6,523
More than five years	–	46	–
	<u>524</u>	<u>10,467</u>	<u>10,062</u>
<i>Lease commitments – finance</i>			
Committed at the reporting date and recognised as liabilities, payable:			
Within one year	–	644	354
One to five years	–	584	590
Total commitment	–	1,228	944
Less: Future finance charges	–	(65)	(48)
Net commitment recognised as liabilities	<u>–</u>	<u>1,163</u>	<u>896</u>

Operating lease commitments includes contracted amounts for office accommodation and office equipment under non- cancellable operating leases expiring within one to six years with, in some cases, options to extend. Contractual escalation clauses have been factored into the commitments disclosed above. On renewal, the terms of the leases are renegotiated.

Finance lease commitments includes contracted amounts for office equipment and purchased software secured under finance leases expiring within one to three years. Under the terms of the leases, the Group has the option to acquire the leased assets for predetermined residual values on the expiry of the leases.

With the application of IFRS 16 (note 1), these are now recognised as right-of-use assets (note 13) with corresponding current and non-current lease liabilities (note 20).

The amounts in 2020 represent short term and low-value assets lease commitments under IFRS 16 accounting whilst 2019 represents the entire operating lease commitments. Given the adoption of IFRS 16 these values are not comparable with the majority of 2020 commitments represented at a discounted value on the balance sheet under lease liabilities (note 20).

Note 35. Related party transactions

Parent entity

Isentia Group Limited is the parent entity.

Subsidiaries

Interests in subsidiaries are set out in note 37.

Key management personnel

Disclosures relating to key management personnel are set out in note 31 and the remuneration report included in the directors' report.

Transactions with related parties

There were no transactions with related parties during the current and previous financial year.

Receivable from and payable to related parties

There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Loans to/from related parties

There were no loans to or from related parties at the current and previous reporting date.

Note 36. Parent entity information

Set out below is the supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income

	2020 AUD\$'000	Parent 2019 AUD\$'000	2018 AUD\$'000
Loss after income tax	(11,368)	(66)	(373)
Total comprehensive income	(11,368)	(66)	(373)

Statement of financial position

	2020 AUD\$'000	Parent 2019 AUD\$'000	2018 AUD\$'000
Total current assets	–	–	16
Total assets	37,514	48,432	47,679
Total current liabilities	–	–	–
Total liabilities	–	–	–
Equity			
Issued capital	403,662	403,662	403,662
Share-based payments reserve	2,657	2,207	1,388
Accumulated losses	(368,805)	(357,437)	(357,371)
Total equity	37,514	48,432	47,679

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries

The parent entity and its Australian subsidiaries are party to a deed of cross guarantee under which each company guarantees the debts of the others. No deficiencies of assets exist in any of these subsidiaries. Refer to note 38 for further details.

Contingent liabilities

The parent entity had no contingent liabilities as at 30 June 2020, 30 June 2019 and 30 June 2018.

Capital commitments – Property, plant and equipment

The parent entity had no capital commitments for property, plant and equipment at as 30 June 2020, 30 June 2019 and 30 June 2018.

Significant accounting policies

The accounting policies of the parent entity are consistent with those of the Group, as disclosed in note 1, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.
- Dividends received from subsidiaries are recognised as other income by the parent entity and its receipt may be an indicator of an impairment of the investment.

Note 37. Interests in subsidiaries

The consolidated financial information incorporates the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1:

Name	Principal place of business / Country of incorporation		Ownership interest	
			2020	2019
			%	%
Isentia Holdings Pty Limited	Australia	100%	100%	100%
Isentia Finance Pty Limited	Australia	100%	100%	100%
Isentia Pty Limited	Australia	100%	100%	100%
Slice Media Pty Limited	Australia	100%	100%	100%
Media Monitors Pty Limited	Australia	100%	100%	100%
BuzzNumbers Pty Limited	Australia	100%	100%	100%
Isentia Strategy & Content Pty Ltd	Australia	100%	100%	100%
Isentia Limited	New Zealand	100%	100%	100%
Isentia Operations Sd Bhd***	Malaysia	–	–	100%
Isentia Group Sdn. Bhd.	Malaysia	100%	100%	100%
Isentia Library Group Sdn. Bhd.	Malaysia	100%	100%	100%
Isentia (M) Sdn. Bhd.	Malaysia	100%	100%	100%
Isentia (Johor Bahru) Sdn. Bhd.	Malaysia	100%	100%	100%
Isentia Pte Limited	Singapore	100%	100%	100%
Isentia Brandtology Pte Limited	Singapore	100%	100%	100%
King Content (SG) Pte Ltd*	Singapore	–	100%	100%
PT Isentia Jakarta	Indonesia	100%	100%	100%
Isentia Vietnam Co. Investment	Vietnam	100%	100%	100%
Isentia Manila Inc.	Philippines	100%	100%	100%
Isentia Monitoring Services (Thailand) Ltd	Thailand	100%	100%	100%
Isentia Bangkok Company Limited	Thailand	100%	100%	100%
Brandtology, Inc.	USA	100%	100%	100%
King Content (USA), Inc	USA	100%	100%	100%
Isentia Limited	Hong Kong	100%	100%	100%
King Content Limited	Hong Kong	100%	100%	100%
Brandtology Co., Ltd	China	100%	100%	100%
Beijing Isentia Information Consulting Co. Limited	China	100%	100%	100%
Shanghai Isentia Consulting Ltd	China	100%	100%	100%
Brandtology Shanghai Co. Ltd***	China	–	–	100%
King Content Ltd*	UK	–	100%	100%
Isentia SNC Korea Co. Ltd	South Korea	100%	100%	100%
The Beyond Co., Ltd.**	South Korea	51%	51%	51%
Isentia Taiwan Limited	Taiwan	100%	100%	100%

*** Have been deregistered

** The Group is party to an arrangement involving options over the issued shares of this entity not held by the Group which gives it effective control of such shares

Note 38. Deed of cross guarantee

The following entities are party to a deed of cross guarantee under which each company guarantees the debts of the others:

Isentia Group Limited	Isentia Finance Pty Limited
Isentia Holdings Pty Limited	Isentia Pty Limited

By entering into the deed, the wholly-owned entities have been relieved from the requirement to prepare financial statements and directors' report under Corporations Instrument 2016/785 issued by the Australian Securities and Investments Commission.

The above companies represent a 'Closed Group' for the purposes of the Corporations Instrument, and as there are no other parties to the deed of cross guarantee that are controlled by Isentia Group Limited, they also represent the 'Extended Closed Group'.

Set out below is a consolidated statement of profit or loss and other comprehensive income and statement of financial position of the 'Closed Group'.

Statement of profit or loss and other comprehensive income

	2020 AUD\$'000	2019 AUD\$'000	2018 AUD\$'000
Revenue	66,559	78,266	88,298
Other income	9,782	6,953	13,149
Copyright, consumables and other direct purchases	(24,089)	(26,013)	(28,067)
Depreciation and amortisation expense	(27,647)	(11,151)	(10,951)
Employee benefits expense	(13,304)	(31,286)	(30,230)
Impairment of assets	(11,736)	(38,050)	(1,685)
Loss on disposal of assets	(24)	(111)	(481)
Occupancy costs	(458)	(2,246)	(2,443)
Other expenses	(5,019)	(6,660)	(5,989)
Finance costs	(1,497)	(1,320)	(2,420)
Loss before income tax expense	(7,433)	(31,618)	19,181
Income tax expense	(374)	(251)	(1,838)
Loss after income tax expense	(7,807)	(31,869)	17,343
Other comprehensive income			
Net change in fair value of cash flow hedges taken to equity, net of tax	170	(234)	–
Exchange differences on translating foreign operations, net of tax	423	876	736
Other comprehensive income for the year, net of tax	593	642	736
Total comprehensive income for the year	<u>(7,214)</u>	<u>(31,227)</u>	<u>18,079</u>
	2020 AUD\$'000	2019 AUD\$'000	2018 AUD\$'000
Equity – accumulated losses			
Accumulated losses at the beginning of the financial year	(88,975)	(57,106)	(66,995)
Adjustment for first time adoption of IFRS 16	(63)	(31,869)	17,343
Loss after income tax expense	(7,807)	–	(7,454)
Accumulated losses at the end of the financial year	<u>(96,845)</u>	<u>(88,975)</u>	<u>(57,106)</u>

Statement of financial position

	2020 AUD\$'000	2019 AUD\$'000	2018 AUD\$'000
Current assets			
Cash and cash equivalents	8,693	8,443	5,892
Trade and other receivables	8,767	10,339	12,380
Income tax refund	–	–	2,036
Prepayments	1,049	699	511
	<u>18,509</u>	<u>19,481</u>	<u>20,819</u>
Non-current assets			
Receivable from subsidiaries	21,025	19,991	19,392
Investment in subsidiaries	32,201	43,736	43,736
Property, plant and equipment	1,179	2,077	2,442
Right-of-use assets	4,926	–	–
Intangibles	48,933	52,805	93,553
Deferred tax assets	4,194	3,236	2,950
Other	–	–	40
	<u>112,458</u>	<u>121,845</u>	<u>162,113</u>
Total assets	<u>130,967</u>	<u>141,326</u>	<u>182,932</u>
Current liabilities			
Trade and other payables	12,891	15,959	13,164
Borrowings	3,815	4,347	325
Lease liabilities	2,153	–	–
Current tax liabilities	77	929	–
Provisions	4,713	4,844	4,967
Contingent consideration	–	709	3,121
	<u>23,649</u>	<u>26,788</u>	<u>21,577</u>
Non-current liabilities			
Borrowings	36,735	39,737	55,502
Lease liabilities	3,033	–	–
Derivative financial instruments	92	–	–
Deferred tax liabilities	10,480	10,087	11,200
Provisions	245	602	684
Contingent consideration	–	551	–
	<u>50,585</u>	<u>50,977</u>	<u>67,386</u>
Total liabilities	<u>74,234</u>	<u>77,765</u>	<u>88,963</u>
Net assets	<u>56,733</u>	<u>63,561</u>	<u>93,969</u>
Equity			
Issued capital	403,662	403,662	403,662
Reserves	(250,084)	(251,126)	(252,587)
Accumulated losses	(96,845)	(88,975)	(57,106)
Total equity	<u>56,733</u>	<u>63,561</u>	<u>93,969</u>

Note 39. Cash flow information

Reconciliation of loss after income tax to net cash from operating activities

	2020	<i>Consolidated</i>	
	AUD\$'000	2019	2018
		AUD\$'000	AUD\$'000
Loss after income tax (expense)/benefit for the year	(10,885)	(34,341)	1,285
Adjustments for:			
Depreciation and amortisation	18,848	15,092	20,828
Net loss on disposal of property, plant and equipment	108	188	1,844
Share-based payments	450	819	540
Impairment of assets	10,432	40,959	(510)
Other expenses – non-cash	110	30	97
Net fair value movement on contingent consideration	(1,260)	(3)	(1,850)
Bad and doubtful debt expense	901	602	897
Change in operating assets and liabilities:			
Decrease in trade and other receivables	1,896	1,931	6,966
Decrease/(increase) in income tax refund due	(53)	2,126	(913)
Increase in deferred tax assets	(1,827)	(82)	1,861
Increase in prepayments	(101)	(437)	731
Decrease in other operating assets	–	40	–
Increase/(decrease) in trade and other payables	(4,000)	5,568	(1,397)
Decrease in contract liabilities	(161)	(550)	–
Increase/(decrease) in derivative liabilities	(243)	101	–
Increase/(decrease) in provision for income tax	(1,205)	1,092	619
Increase/(decrease) in deferred tax liabilities	704	(7,103)	(2,876)
Decrease in employee benefits	(111)	(213)	240
Increase in other provisions	2,599	72	15
Net cash from operating activities	<u>16,202</u>	<u>25,891</u>	<u>28,377</u>

Changes in liabilities arising from financing activities

	<i>Consolidated</i>		
	<i>Bank</i>	<i>Lease</i>	
	<i>loans</i>	<i>liabilities</i>	<i>Total</i>
	AUD\$'000	AUD\$'000	AUD\$'000
Balance at 1 July 2017	64,869	–	64,869
Net cash used in financing activities	(10,000)	(108)	(10,108)
Acquisition of assets by means of finance leases	–	1,004	1,004
Other changes	62	–	62
Balance at 1 July 2018	54,931	896	55,827
Net cash used in financing activities	(12,000)	(383)	(12,383)
Acquisition of assets by means of finance leases	–	650	650
Other changes	(10)	–	(10)
Balance at 30 June 2019	42,921	1,163	44,084
Net cash used in financing activities	(2,250)	(4,030)	(6,280)
Adoption of IFRS 16 on 1 July 2019	–	10,455	10,455
Acquisition of leases	–	1,181	1,181
Reclass to held-for-sale	–	(106)	(106)
Other changes	(121)	(248)	(369)
Balance at 30 June 2020	<u>40,550</u>	<u>8,415</u>	<u>48,965</u>

Note 40. Earnings per share

	2020 AUD\$'000	<i>Consolidated</i> 2019 AUD\$'000	2018 AUD\$'000
Loss after income tax attributable to the owners of Isentia Group Limited	(10,885)	(34,341)	1,285
	<i>Number</i>	<i>Number</i>	<i>Number</i>
Weighted average number of ordinary shares used in calculating basic earnings per share	200,000,001	200,000,001	200,000,001
Performance rights over ordinary shares	<u>–</u>	<u>–</u>	<u>301,081</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	200,000,001	200,000,001	200,301,082
	<i>Cents</i>	<i>Cents</i>	<i>Cents</i>
Basic earnings per share	(5.442)	(17.170)	0.642
Diluted earnings per share	(5.442)	(17.170)	0.642

Nil options over ordinary shares as at 30 June 2020 (2019: 395,908 and 2018:1,646,425) and 5,646,064 rights as at 30 June 2020 (2019: 2,254,837 and 2018: Nil) have been excluded from the above calculations as they were anti-dilutive.

Note 41. Share-based payments

The Group has a long-term incentive plan ('LTIP') which provides eligible employees with an incentive to work to improve the performance of the Group by granting options or rights to acquire shares.

During the financial year 3,910,787 rights were granted (2019: 2,604,353 and 2018: Nil). The share-based payment expense for the year was AUD\$450,000 (2019: AUD\$819,000 and 2018: credit of AUD\$510,000).

Set out below are summaries of options outstanding under the plan:

2020

<i>Grant date</i>	<i>Expiry date</i>	<i>Exercise price</i>	<i>Balance at the start of the year</i>	<i>Granted</i>	<i>Exercised</i>	<i>Expired/ forfeited/ other</i>	<i>Balance at the end of the year</i>
17/11/2016	30/06/2020	AUD\$0.00	395,908	–	–	(395,908)	–
			<u>395,908</u>	<u>–</u>	<u>–</u>	<u>(395,908)</u>	<u>–</u>
Weighted average exercise price			<u>AUD\$3.47</u>	<u>AUD\$0.00</u>	<u>AUD\$0.00</u>	<u>AUD\$0.00</u>	<u>AUD\$3.47</u>

2019

<i>Grant date</i>	<i>Expiry date</i>	<i>Exercise price</i>	<i>Balance at the start of the year</i>	<i>Granted</i>	<i>Exercised</i>	<i>Expired/ forfeited/ other</i>	<i>Balance at the end of the year</i>
19/11/2015	30/06/2019	AUD\$3.75	913,289	–	–	(913,289)	–
17/11/2016	30/06/2020	AUD\$3.47	733,136	–	–	(337,228)	395,908
			<u>1,646,425</u>	<u>–</u>	<u>–</u>	<u>(1,250,517)</u>	<u>395,908</u>
Weighted average exercise price			<u>AUD\$3.63</u>	<u>AUD\$0.00</u>	<u>AUD\$0.00</u>	<u>AUD\$3.67</u>	<u>AUD\$3.47</u>

2018

<i>Grant date</i>	<i>Expiry date</i>	<i>Exercise price</i>	<i>Balance at the start of the year</i>	<i>Granted</i>	<i>Exercised</i>	<i>Expired/ forfeited/ other</i>	<i>Balance at the end of the year</i>
16/06/2014	30/06/2018	AUD\$2.04	965,743	–	–	(965,743)	–
10/12/2014	30/06/2018	AUD\$2.04	310,518	–	–	(310,518)	–
19/11/2015	30/06/2019	AUD\$3.75	1,717,646	–	–	(804,357)	913,289
17/11/2016	30/06/2020	AUD\$3.47	1,468,582	–	–	(735,446)	733,136
			<u>4,462,489</u>	<u>–</u>	<u>–</u>	<u>(2,816,064)</u>	<u>1,646,425</u>
Weighted average exercise price			<u>AUD\$3.17</u>	<u>AUD\$0.00</u>	<u>AUD\$0.00</u>	<u>AUD\$2.90</u>	<u>AUD\$3.63</u>

The weighted average share price during the financial year was AUD\$0.28 (2019: AUD\$0.35 and 2018: AUD\$1.29).

No options are outstanding as of 30 June 2020. The weighted average remaining contractual life of options outstanding at the end of 2019 was one year.

Variable and Executive Reward Plan

In the previous financial year, the Group introduced a remuneration framework of an Executive Reward Plan ('ERP') which comprises of short-term measures (including a threshold gateway) and long-term measures. The ERP comprises two short-term components of cash and deferred equity designed to drive, motivate and reward for achievement on specific key performance indicators in the previous year's performance. The third component of the ERP comprises a grant of equity rights intended to provide a mechanism to drive longer term growth and retain talent. These longer term targets are based on stretch targets and are aligned with long-term company strategy. The split between cash and equity components are predetermined at grant date.

During the year, the Group continued to review the ERP, to ensure both short-term growth and long-term value. Some key improvements have been made to the ERP including Long-Term Performance Rights are now measured over a longer period of 3 years with the removal of the escrow.

Set out below are summaries of rights issued under the plan:

<i>2020 Rights issue date</i>	<i>Vesting condition</i>	<i>Share price at issue date</i>	<i>Balance at the start of the year</i>	<i>Issued</i>	<i>Exercised</i>	<i>Expired/ forfeited/ other</i>	<i>Balance at the end of the year</i>
17/12/2018	Service	AUD\$0.29	1,309,913	–	–	(375,419)	934,494
14/02/2019	Service	AUD\$0.31	944,924	–	–	–	944,924
16/12/2019	Service	AUD\$0.27	–	3,910,786	–	(144,140)	3,766,646
			<u>2,254,837</u>	<u>3,910,786</u>	<u>–</u>	<u>(519,559)</u>	<u>5,646,064</u>
<i>2019 Rights issue date</i>	<i>Vesting condition</i>	<i>Share price at issue date</i>	<i>Balance at the start of the year</i>	<i>Issued</i>	<i>Exercised</i>	<i>Expired/ forfeited/ other</i>	<i>Balance at the end of the year</i>
17/12/2018	Service	AUD\$0.29	–	1,659,429	–	(349,516)	1,309,913
14/02/2019	Service	AUD\$0.31	–	944,924	–	–	944,924
			<u>–</u>	<u>2,604,353</u>	<u>–</u>	<u>(349,516)</u>	<u>2,254,837</u>

For the rights granted during the current financial year, the valuation model inputs used to determine the fair value at the grant date, are as follows:

<i>Grant date</i> *	<i>Vesting date</i>	<i>Share price at grant date</i>	<i>Exercise price</i>	<i>Expected volatility</i>	<i>Dividend yield</i>	<i>Risk-free interest rate</i>	<i>Fair value at grant date (\$ per \$1)</i>
18/12/2019	30/06/2021	AUD\$0.27	AUD\$0.00	–	–	–	AUD\$1.00
18/12/2019	30/06/2022	AUD\$0.27	AUD\$0.00	–	–	–	AUD\$1.00
17/01/2020	30/06/2021	AUD\$0.29	AUD\$0.00	–	–	–	AUD\$1.00
17/01/2020	30/06/2022	AUD\$0.29	AUD\$0.00	–	–	–	AUD\$1.00

* ERP Performance Rights and Deferred Equity are subject to formal grant and in the case of the Chief Executive Officer are subject to shareholder approval. The value applied is for accounting purposes only and the grant date is considered to be the accounting grant date.

Note 42. Events after the reporting period

The impact of COVID-19 is ongoing and it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

On 1 July 2020 the first tranche of the FY19 Executive Reward Plan (**FY19 ERP**) Deferred Equity Rights (comprising 299,421 FY19 Deferred Equity Rights) awarded pursuant to the FY19 ERP became eligible for vesting.

On 6 August 2020 the CEO Engagement Rights comprising 934,494 CEO Engagement Rights awarded pursuant to the CEO Engagement Rights Offer became eligible for vesting.

Vesting of all rights are subject to the Board's determination in accordance with the Company's Long-Term Incentive Plan Rules (LTIP Plan). Subject to the terms of the applicable rights offer, the LTIP Plan and the Board's determination, vested rights ordinarily entitle the rights holder to the allocation of one ordinary share in the Company. Details of the FY19 ERP and CEO Engagement Rights are set out in the 2019 Remuneration Report.

Any allocation of shares in accordance with the FY19 ERP and the CEO Engagement Rights Offer will occur after the reporting date/release of the FY2020 Financial Report.

On 14 August 2020, the Group completed the sale of its interest in the Beyond Co.Ltd.

The Group was impacted by a significant cyber security incident in the December 2020 quarter which impacted the Group's ability to deliver key services to customers. Several measures were taken by management to deal with the incident and restore the business to normal operations. However, the incident negatively impacted pre-tax earnings for the half year ending 31 December 2020 by approximately AUD\$4,400,000 through a combination of lost revenues and additional costs. It has also delayed the roll-out of a number of strategic initiatives scheduled for the March quarter 2021 to later in the June quarter 2021. As a result, the impact on the year ended 30 June 2021 financial results is expected to be approximately AUD\$7,000,000 to AUD\$8,000,000 in line with the estimates provided to the market when the incident occurred.

During the half-year ended 31 December 2020, the Group refinanced the bank loan facilities from Westpac Banking Corporation ('Westpac') to the Commonwealth bank of Australia ('CBA'). On 13 October 2020, the Group entered into a new three-year AUD\$46,600,000 loan facility with the CBA, including AUD\$33,500,000 amortising facility (A), AUD\$12,000,000 revolving cash advance (B) and AUD\$1,100,000 revolving working capital, letter of credit and bank guarantee facility and Ancillary Facility (C). Under the facility, the Group shall repay principal of AUD\$750,000 per quarter, with the first repayment on 30 June 2021.

No other matter or circumstance has arisen since 30 June 2020 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.

Section C – Interim results for the six months ended 31 December 2020

Part II: Interim results for the six month period to 30 December 2020

Set out below are the audited interim financial statements for Isentia for the six month period to 30 December 2020 published on 26 February 2021.

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group') consisting of Isentia Group Limited (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 2020.

Directors

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

Doug Snedden – Chairman and Independent Non-Executive Director
Ed Harrison – Managing Director and Chief Executive Officer
Fiona Pak-Poy – Independent Non-Executive Director
Travyn Rhall – Independent Non-Executive Director
Justin Kane – Non-Executive Director
Abigail Cheadle – Independent Non-Executive Director
Jeffrey Strong – Alternate Director to Justin Kane (ceased to be an alternate director on 16 October 2020)

Principal activities

During the financial half-year the principal activities of the Group consisted of the provision of media intelligence services to public and private sector clients through media database, media release distribution, media monitoring, social media monitoring and media analysis.

Dividends

There were no dividends paid, recommended or declared during the current or previous financial half-year.

Review of operations

The loss for the Group after providing for income tax amounted to AUD\$5,877,000 (31 December 2019: profit of AUD\$677,000). The Group's revenue and Underlying EBITDA performance is listed in the table below:

	ANZ AUD\$'000	South East Asia AUD\$'000	Head Office AUD\$'000	Total excluding North Asia AUD\$'000	North Asia AUD\$'000	Total including North Asia AUD\$'000
Consolidated						
31 December 2020						
Revenue						
SaaS and Content services	23,143	4,840	–	27,983	451	28,434
VAS	7,536	6,327	–	13,863	556	14,419
Total revenue	<u>30,679</u>	<u>11,167</u>	<u>–</u>	<u>41,846</u>	<u>1,007</u>	<u>42,853</u>
Operating expenses	<u>21,672</u>	<u>8,991</u>	<u>5,278</u>	<u>35,941</u>	<u>1,397</u>	<u>37,338</u>
Underlying EBITDA	<u>9,007</u>	<u>2,176</u>	<u>(5,278)</u>	<u>5,905</u>	<u>(390)</u>	<u>5,515</u>

	ANZ AUD\$'000	South East Asia AUD\$'000	Head Office AUD\$'000	Total excluding North Asia AUD\$'000	North Asia AUD\$'000	Total including North Asia AUD\$'000
Consolidated						
31 December 2019						
Revenue						
SaaS and Content services	30,972	5,853	–	36,825	2,439	39,264
VAS	8,563	6,781	–	15,344	1,933	17,277
Total revenue	<u>39,535</u>	<u>12,634</u>	<u>–</u>	<u>52,169</u>	<u>4,372</u>	<u>56,541</u>
Operating expenses	<u>23,245</u>	<u>9,310</u>	<u>6,877</u>	<u>39,432</u>	<u>4,631</u>	<u>44,063</u>
Underlying EBITDA	<u>16,290</u>	<u>3,324</u>	<u>(6,877)</u>	<u>12,737</u>	<u>(259)</u>	<u>12,478</u>

Underlying Earnings Before Interest, Tax, Depreciation and Amortisation ('EBITDA') is a financial measure which is not prescribed by International Financial Reporting Standards and represents the profit which has been adjusted to eliminate the effects of tax, depreciation and amortisation, fair value adjustments, impairment expenses, loss on disposal of assets and other non-operating items including restructuring costs, legal and settlement costs and costs related to the Cyber incident.

On 30 June 2020, following a review of the Group's business portfolio the Group made a decision to exit its North Asia (NA) business which ceased operations in September 2020. In the table above the underlying EBITDA is showing as both including and excluding NA trading results.

Revenue performance

The Group's Media Intelligence revenue excluding North Asia ('NA') of AUD\$41,846,000 declined by 19.8 per cent. compared to the previous period (31 December 2019: AUD\$52,169,000). This was mainly in Australia and New Zealand ('ANZ') Software-as-a- Service ('SaaS') revenue.

Revenue in ANZ and Asia was also impacted by the significant business disruption caused by a cyber incident in the December 2020 quarter, the revenue impact of which is estimated to be AUD\$3,300,000. In addition, revenue was influenced by the ongoing marketplace and operational pressures caused by Covid-19 and the competitive nature of the ANZ marketplace.

Earnings

The Group's Underlying EBITDA excluding NA after the impact of IFRS 16 was AUD\$5,905,000, a decline of 53.6 per cent. compared to the previous corresponding period (31 December 2019: AUD\$12,737,000). This decline reflects the lower revenue outlined above, this was partly offset by significant cost savings realised from a number of initiatives with total operating expenses excluding NA amounted to AUD\$35,941,000, a 8.9 per cent. decline compared to the previous corresponding period (31 December 2019: AUD\$39,432,000).

Cash flow

The cash outflows from operating activities of AUD\$1,444,000 (31 December 2019: cash inflow: AUD\$3,923,000) included AUD\$3,580,000 of NA closure costs and cash operating loss. The cash outflow also included the impact of the cyber incident of AUD\$4,100,000.

Cashflow management remained a key focus of the Group during the half year ended 31 December 2020.

Transformation and cost management actions

The Group continued to invest in key technology and product platforms in line with the strategic plan to deliver market leading products and an efficient operating cost base.

Significant changes in the state of affairs

On 1 July 2020 the first tranche of the FY19 Executive Reward Plan (FY19 ERP) Deferred Equity Rights (comprising 299,421 FY19 Deferred Equity Rights) awarded pursuant to the FY19 ERP became eligible for vesting.

On 6 August 2020 the CEO Engagement Rights comprising 934,494 CEO Engagement Rights awarded pursuant to the CEO Engagement Rights Offer became eligible for vesting.

On 14 August 2020, the Group completed the sale of the Group's interest in Beyond Co. Ltd, with a cash consideration of AUD\$121,000 as disclosed as at 30 June 2020.

On 13 October 2020, the Group secured a new 3-year AUD\$46,600,000 senior debt facility with the Commonwealth Bank of Australia.

The Group was impacted by a significant cyber security incident in the December 2020 quarter which impacted the Group's ability to deliver key services to customers. Several measures were taken by management to deal with the incident and restore the business to normal operations. However, the incident has negatively impacted pre-tax earnings for the half year ending 31 December 2020 by approximately \$4,400,000 through a combination of lost revenues and additional costs. It has also delayed the roll-out of a number of strategic initiatives scheduled for the March quarter 2021 to later in the June quarter 2021. As a result, the impact on the year ended 30 June 2021 financial results is expected to be approximately AUD\$7,000,000 to AUD\$8,000,000 in line with the estimates provided to the market when the incident occurred. There were no other 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

The impact of COVID-19 is ongoing and it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

No other matter or circumstance has arisen since 31 December 2020 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 and 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.

Consolidated statement of profit or loss and other comprehensive income for the half-year ended 31 December 2020

		<i>Consolidated</i>	
		<i>31 Dec</i>	<i>31 Dec</i>
		<i>2020</i>	<i>2019</i>
	<i>Note</i>	<i>AUD\$'000</i>	<i>AUD\$'000</i>
Revenue from contracts with customers	3	42,853	56,541
Other income	4	292	5
Interest revenue calculated using the effective interest method		10	32
Expenses			
Copyright, consumables and other direct purchases		(11,558)	(11,805)
Employee benefits expense		(22,889)	(28,619)
Amortisation expense		(3,846)	(6,288)
Depreciation expense		(2,041)	(2,753)
Impairment of assets	7	(1,290)	–
Occupancy costs		(789)	(743)
Loss on disposal of assets		–	(83)
North Asia exit expenses		(383)	–
Legal and settlement costs		(2,994)	(306)
Other expenses		(2,602)	(3,130)
Finance costs		(1,260)	(1,205)
(Loss)/profit before income tax benefit/(expense)		(6,497)	1,646
Income tax benefit/(expense)		620	(969)
(Loss)/profit after income tax benefit/(expense) for the half-year attributable to the owners of Isentia Group Limited		(5,877)	677
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Net change in fair value of cash flow hedges taken to equity, net of tax		64	83
Exchange differences on translating foreign operations		(1,903)	151
Other comprehensive income for the half-year, net of tax		(1,839)	234
Total comprehensive income for the half-year attributable to the owners of Isentia Group Limited		(7,716)	911
		<i>Cents</i>	<i>Cents</i>
Basic earnings per share	13	(2.938)	0.338
Diluted earnings per share	13	(2.938)	0.336

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

Consolidated statement of financial position as at 31 December 2020

		<i>Consolidated</i>	
		<i>31 Dec</i>	<i>30 June</i>
		<i>2020</i>	<i>2020</i>
	<i>Note</i>	<i>AUD\$'000</i>	<i>AUD\$'000</i>
Assets			
Current assets			
Cash and cash equivalents		9,665	16,118
Trade and other receivables	5	14,221	17,489
Income tax refund due		112	200
Prepayments		1,087	1,442
		<u>25,085</u>	<u>35,249</u>
Assets classified as held for sale		–	307
Total current assets		<u>25,085</u>	<u>35,556</u>
Non-current assets			
Property, plant and equipment		2,014	2,439
Right-of-use assets	6	5,820	7,540
Intangibles	7	78,049	81,183
Deferred tax assets		6,238	5,369
		<u>92,121</u>	<u>96,531</u>
Total non-current assets		<u>92,121</u>	<u>96,531</u>
Total assets		<u>117,206</u>	<u>132,087</u>
Liabilities			
Current liabilities			
Trade and other payables		13,330	11,964
Contract liabilities		4,539	5,006
Borrowings	8	2,204	3,815
Lease liabilities	9	2,699	3,761
Current tax liabilities		141	402
Provisions		5,802	9,726
		<u>28,715</u>	<u>34,674</u>
Liabilities directly associated with assets classified as held for sale		–	185
Total current liabilities		<u>28,715</u>	<u>34,859</u>
Non-current liabilities			
Borrowings	8	37,664	36,735
Lease liabilities	9	3,349	4,654
Derivative financial instruments		–	92
Deferred tax liabilities		7,270	7,830
Provisions		309	245
		<u>48,592</u>	<u>49,556</u>
Total non-current liabilities		<u>48,592</u>	<u>49,556</u>
Total liabilities		<u>77,307</u>	<u>84,415</u>
Net assets		<u>39,899</u>	<u>47,672</u>
Equity			
Issued capital		403,662	403,662
Reserves		(251,172)	(249,276)
Accumulated losses		(112,591)	(106,714)
Total equity		<u>39,899</u>	<u>47,672</u>

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

**Consolidated statement of changes in equity
For the half year ended 30 December 2020**

	<i>Issued capital</i>	<i>Consolidated Accumulated</i>		<i>Total equity</i>
	<i>AUD\$'000</i>	<i>Reserves AUD\$'000</i>	<i>losses AUD\$'000</i>	<i>AUD\$'000</i>
Balance at 1 July 2019	403,662	(249,681)	(95,829)	58,152
Profit after income tax expense for the half-year	–	–	677	677
Other comprehensive income for the half-year, net of tax	–	234	–	234
Total comprehensive income for the half-year	–	234	677	911
<i>Transactions with owners in their capacity as owners:</i>				
Share-based payments	–	350	–	350
Balance at 31 December 2019	<u>403,662</u>	<u>(249,097)</u>	<u>(95,152)</u>	<u>59,413</u>

	<i>Issued capital</i>	<i>Consolidated Accumulated</i>		<i>Total equity</i>
	<i>AUD\$'000</i>	<i>Reserves AUD\$'000</i>	<i>losses AUD\$'000</i>	<i>AUD\$'000</i>
<i>Consolidated</i>				
Balance at 1 July 2020	403,662	(249,276)	(106,714)	47,672
Loss after income tax benefit for the half-year	–	–	(5,877)	(5,877)
Other comprehensive income for the half-year, net of tax	–	(1,839)	–	(1,839)
Total comprehensive income for the half-year	–	(1,839)	(5,877)	(7,716)
<i>Transactions with owners in their capacity as owners:</i>				
Share-based payments	–	(57)	–	(57)
Balance at 31 December 2020	<u>403,662</u>	<u>(251,172)</u>	<u>(112,591)</u>	<u>39,899</u>

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

Consolidated statement of cash flows
For the half year ended 31 December 2020

		<i>Consolidated</i>	
		<i>31 Dec</i>	<i>31 Dec</i>
		<i>2020</i>	<i>2019</i>
	<i>Note</i>	<i>AUD\$'000</i>	<i>AUD\$'000</i>
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		48,414	63,555
Payments to suppliers and employees (inclusive of GST)		(47,804)	(56,118)
Interest received		10	32
Other revenue		59	5
Interest and other finance costs paid		(1,171)	(1,357)
Income taxes paid		(952)	(2,194)
Net cash (used in)/from operating activities		<u>(1,444)</u>	<u>3,923</u>
Cash flows from investing activities			
Payments for property, plant and equipment		(172)	(626)
Payments for intangibles	7	(3,491)	(4,490)
Proceeds from disposal of subsidiary		77	–
Proceeds from disposal of property, plant and equipment		8	4
Proceeds from release of security deposits		245	77
Proceeds from customer referral fees		654	–
Net cash used in investing activities		<u>(2,679)</u>	<u>(5,035)</u>
Cash flows from financing activities			
Proceeds from bank loan		40,000	5,000
Repayment of bank loan		(40,750)	(5,750)
Payment of lease liabilities, excluding the financing component	9	(1,624)	(1,979)
Net cash used in financing activities		<u>(2,374)</u>	<u>(2,729)</u>
Net (decrease) in cash and cash equivalents		(6,497)	(3,841)
Cash and cash equivalents at the beginning of the financial half-year		<u>16,162</u>	<u>14,718</u>
Cash and cash equivalents at the end of the financial half-year		<u>9,665</u>	<u>10,877</u>
<i>Reconciliation to cash and cash equivalents at the beginning of the financial half-year</i>			
Balance as per statement of financial position		16,118	14,718
Cash and cash equivalents – classified as held for sale		44	–
Cash and cash equivalents at the beginning of the financial half-year		<u>16,162</u>	<u>14,718</u>

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

Notes to the consolidated financial statements

31 December 2020

Note 1. Significant accounting policies

These general purpose financial statements for the interim half-year reporting period ended 31 December 2020 have been prepared in accordance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities.

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 2020 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, except for the policies stated below.

Comparative information

Comparatives have been restated, where appropriate, to conform to changes in presentation in the current year and to enhance comparability. There was no net effect on the net asset position, profit or loss, or cash flow.

New or amended Accounting Standards and Interpretations adopted

The Group has adopted all of the new or amended Accounting Standards under International Financial Reporting Standards that are mandatory for the current reporting period.

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

Going concern

The Directors have prepared the financial statements on the going concern basis, which assumes continuity of normal business activities and the realisation of assets and the discharge of liabilities in the ordinary course of business.

The Group incurred a loss after income tax for the half-year ended 31 December 2020 of AUD\$5,877,000 (31 December 2019: profit of AUD\$677,000). Included in the loss was a AUD\$1,290,000 non-cash impairment of assets and a AUD\$767,000 loss from exiting the North Asia market.

The Group had net cash outflows from operations of AUD\$1,444,000 (31 December 2019: net cash inflows of \$3,923,000) for the half-year ended 31 December 2020. Included in the cash outflows was AUD\$3,580,000 from exiting the North Asia Market. When this is excluded, the Group achieved AUD\$2,136,000 net cash inflows from operating activities.

As at 31 December 2020, the Group had net current liabilities of AUD\$3,630,000 (30 June 2020: net current assets of AUD\$697,000) and net assets of AUD\$39,899,000 (30 June 2020: AUD\$47,672,000).

The Group was impacted by a cyber security incident in the December 2020 quarter which impacted the Group's abilities to deliver key services to customers. Several measures were taken by management to deal with the incident and restore the business to normal operations. However, the incident has negatively impacted pre-tax earnings for the half year ended 31 December 2020 by approximately AUD\$4,400,000 through a combination of lost revenues and additional costs. It has also delayed the roll-out of a number of strategic initiatives scheduled for the March 2021 quarter to later in the June 2021 quarter. As a result, the impact on the year ending 30 June 2021 financial results is expected to be approximately AUD\$7,000,000 to AUD\$8,000,000 in line with the estimates provided to the market when the incident occurred.

As a result of this incident, the Group's lender Commonwealth Bank Australia ("CBA") has reset the Group's banking covenants to 31 March 2022. The Directors have performed a reforecast of the Group's financial results and expects to be compliant with these covenants during the period to 31 March 2022. However,

there is limited headroom in the Group's forecast covenant compliance, and a failure to meet its forecasts may result in a covenant breach.

The Directors have determined that the Group, whilst reliant on the existence and continuity of its bank loan facility to meet its working capital requirements, will be able to pay its debts as and when they fall due. In making this determination, the following factors have also been considered by the Directors:

- the Directors and management continue to focus on improving cash flows through the delivery of key strategic and operating plan initiatives focused on revenue growth from new products and platforms (specifically the redesign of the Mediaportal SaaS Platform; Broadcast automation and launch of new Social products) and actively reducing operating expenses (specifically Broadcast automation and other process improvement programs);
- there is an ability to obtain additional funding, if required, from other sources such as capital raising and debt, or divestment of assets and/or entering strategic alliances. The Group maintains ongoing relationships with investors, brokers, debt providers and other advisors in the ongoing maintenance of its capital management planning programs; and
- the Directors will review the Group's strategic, operating and capital management plans on an ongoing basis.

If the Group is unable to meet its forecasts or execute a successful capital restructure of the business, a material uncertainty would exist that may cast significant doubt on the Group's ability to continue as a going concern and therefore, it may be unable to realise its assets and extinguish its liabilities in the ordinary course of business. However, the Directors are confident in the Group's ability to meet its forecasts or execute an appropriate capital management plan and, accordingly, the financial statements have been prepared on the going concern basis. Therefore no adjustments relating to the recoverability and classification of recorded asset amounts nor to the amounts and classification of liabilities have been made.

Foreign currency translation

Foreign operations

The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

The foreign currency reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

As at 31 December 2020, a write-down of the carrying amount of a North Asia business, because of its losses, does not constitute a disposal at this point in time. Accordingly, no part of the foreign exchange gain or loss recognised in other comprehensive income is reclassified to profit or loss at the time of a write-down.

Note 2. Operating segments

Identification of reportable operating segments

In the year ended 30 June 2020, the Group revised the operating segments from two geographical segments being Australia and New Zealand ('ANZ') and Asia/Rest of the World ('Asia/RoW') to three being Australia and New Zealand ('ANZ'), South East Asia and North Asia due to the decision to exit the North Asia business. These operating segments are based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources. There is no aggregation of operating segments.

The CODM reviews revenue and underlying EBITDA (earnings before interest, tax, depreciation, amortisation adjusted to also eliminate the effects of fair value adjustments, impairment expenses, loss on disposal of assets, restructuring costs, legal and settlement costs, and costs related to the Cyber incident). The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements.

The information reported to the CODM is on at least a monthly basis.

The CODM does not regularly review segment assets and segment liabilities. Refer to statement of financial position for assets and liabilities.

Operating segment information

<i>Consolidated – 31 Dec 2020</i>	<i>ANZ</i> AUD\$'000	<i>South East Asia</i> AUD\$'000	<i>North Asia</i> AUD\$'000	<i>Head Office</i> AUD\$'000	<i>Total</i> AUD\$'000
Revenue					
SaaS and Content services	23,143	4,840	451	–	28,434
VAS	7,536	6,327	556	–	14,419
Total sales revenue	<u>30,679</u>	<u>11,167</u>	<u>1,007</u>	<u>–</u>	<u>42,853</u>
Total segment revenue	<u>30,679</u>	<u>11,167</u>	<u>1,007</u>	<u>–</u>	<u>42,853</u>
Interest revenue					10
Total revenue					<u>42,863</u>
Underlying EBITDA before IFRS 16 impact	8,900	1,743	(390)	(6,161)	4,092
IFRS 16 impact	<u>107</u>	<u>433</u>	<u>–</u>	<u>883</u>	<u>1,423</u>
Underlying EBITDA after IFRS 16 impact	9,007	2,176	(390)	(5,278)	5,515
Restructuring costs	(136)	(40)	–	–	(176)
Legal and settlement costs	(75)	–	–	(2,696)	(2,771)
Other expenses	(1)	–	–	(486)	(487)
Other income-proceeds from insurance claim for cyber incident	–	–	–	225	225
Impairment of assets	–	–	–	(1,290)	(1,290)
Gain/(loss) on disposal of assets	–	3	6	(1)	8
Exit expenses	<u>–</u>	<u>–</u>	<u>(383)</u>	<u>–</u>	<u>(383)</u>
EBITDA	<u>8,795</u>	<u>2,139</u>	<u>(767)</u>	<u>(9,526)</u>	641
Depreciation and amortisation					(5,888)
Interest revenue					10
Finance costs					<u>(1,260)</u>
Loss before income tax benefit					(6,497)
Income tax benefit					<u>620</u>
Loss after income tax benefit					<u>(5,877)</u>

EBITDA represents earnings before interest, income tax expenses, depreciation and amortisation.

Underlying EBITDA is a financial measure which is not prescribed by International Financial Reporting Standards and represents the profit which has been adjusted to eliminate the effects of tax, depreciation and amortisation, fair value adjustments, impairment expenses, loss on disposal of assets and other items such as restructuring costs, legal and settlement costs including costs related to the Cyber incident.

Prior year – restated presentation

The comparative segment note has been restated accordingly to reflect the revised geographical/reportable operating segments.

<i>Consolidated – 31 Dec 2010</i>	<i>ANZ</i> <i>AUD\$'000</i>	<i>South East</i> <i>Asia</i> <i>AUD\$'000</i>	<i>North</i> <i>Asia</i> <i>AUD\$'000</i>	<i>Head</i> <i>Office</i> <i>AUD\$'000</i>	<i>Total</i> <i>AUD\$'000</i>
Revenue					
SaaS – recognised over time	30,972	5,853	2,439	–	39,264
VAS – recognised at a point in time	8,563	6,781	1,933	–	17,277
Total segment revenue	<u>39,535</u>	<u>12,634</u>	<u>4,372</u>	<u>–</u>	<u>56,541</u>
Interest revenue					<u>32</u>
Total revenue					<u>56,573</u>
Underlying EBITDA before IFRS 16 impact	16,165	2,850	(731)	(7,732)	10,552
IFRS 16 impact	<u>125</u>	<u>474</u>	<u>472</u>	<u>855</u>	<u>1,926</u>
Underlying EBITDA after IFRS 16 impact	16,290	3,324	(259)	(6,877)	12,478
Restructuring costs	(201)	(4)	(19)	(92)	(316)
Legal and settlement costs	–	(27)	–	(192)	(219)
Loss on disposal of assets	<u>–</u>	<u>(46)</u>	<u>(37)</u>	<u>–</u>	<u>(83)</u>
EBITDA	<u>16,089</u>	<u>3,247</u>	<u>(315)</u>	<u>(7,161)</u>	<u>11,860</u>
Depreciation and amortisation					(9,041)
Interest revenue					32
Finance costs					<u>(1,205)</u>
Profit before income tax expense					1,646
Income tax expense					<u>(969)</u>
Profit after income tax expense					<u>677</u>

Note 3. Revenue from contracts with customers

	<i>Consolidated</i>	
	<i>31 Dec</i> <i>2020</i> <i>AUD\$'000</i>	<i>31 Dec</i> <i>2019</i> <i>AUD\$'000</i>
Rendering of services	<u>42,853</u>	<u>56,541</u>

Disaggregation of revenue

Refer note 2 operating segments for information relating to revenue from external customers by type of service, geographic region and timing of recognition.

Note 4. Other income

	<i>Consolidated</i>	
	<i>31 Dec</i> <i>2020</i> <i>AUD\$'000</i>	<i>31 Dec</i> <i>2019</i> <i>AUD\$'000</i>
Net gain on disposal of property, plant and equipment	8	–
Government grants	1	–
Proceeds from insurance claims	225	–
Rental relief	49	–
Income from co-tenants	<u>9</u>	<u>5</u>
Other income	<u>292</u>	<u>5</u>

Note 5. Trade and other receivables

	<i>Consolidated</i>	
	<i>31 Dec</i>	<i>30 June</i>
	<i>2020</i>	<i>2020</i>
	<i>AUD\$'000</i>	<i>AUD\$'000</i>
<i>Current assets</i>		
Trade receivables	14,532	16,139
Less: Allowance for expected credit losses	(1,083)	(771)
	<u>13,449</u>	<u>15,368</u>
Other receivables	457	1,561
Security deposits	315	560
	<u>14,221</u>	<u>17,489</u>

Note 6. Right-of-use assets

	<i>Consolidated</i>	
	<i>31 Dec</i>	<i>30 June</i>
	<i>2020</i>	<i>2020</i>
	<i>AUD\$'000</i>	<i>AUD\$'000</i>
<i>Non-current assets</i>		
Property – right-of-use	8,842	10,730
Less: Accumulated depreciation	(3,651)	(3,468)
Less: Impairment	–	(605)
	<u>5,191</u>	<u>6,657</u>
Equipment – right-of-use	1,170	1,170
Less: Accumulated depreciation	(974)	(785)
	<u>196</u>	<u>385</u>
Software – right-of-use	650	650
Less: Accumulated depreciation	(217)	(152)
	<u>433</u>	<u>498</u>
	<u>5,820</u>	<u>7,540</u>

Reconciliations

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

<i>Consolidated</i>	<i>Property</i>	<i>Equipment</i>	<i>Software</i>	<i>Total</i>
	<i>AUD\$'000</i>	<i>AUD\$'000</i>	<i>AUD\$'000</i>	<i>AUD\$'000</i>
Balance at 1 July 2020	6,657	385	498	7,540
Lease modifications	109	–	–	109
Termination of lease	(180)	–	–	(180)
Exchange differences	(128)	–	–	(128)
Depreciation expense	(1,267)	(189)	(65)	(1,521)
Balance at 31 December 2020	<u>5,191</u>	<u>196</u>	<u>433</u>	<u>5,820</u>

Note 7. Intangibles

	<i>Consolidated</i>	
	<i>31 Dec</i>	<i>30 June</i>
	<i>2020</i>	<i>2020</i>
	<i>AUD\$'000</i>	<i>AUD\$'000</i>
<i>Non-current assets</i>		
Goodwill – at cost	84,073	85,541
Less: Accumulated impairment	<u>(30,375)</u>	<u>(30,374)</u>
	53,698	55,167
Customer relationships and contracts – at cost	63,325	67,648
Less: Accumulated amortisation	<u>(58,935)</u>	<u>(62,398)</u>
Less: Accumulated impairment	<u>(1,608)</u>	<u>(2,025)</u>
	2,782	3,225
Purchased software – at cost	10,982	11,880
Less: Accumulated amortisation	<u>(10,375)</u>	<u>(10,765)</u>
Less: Accumulated impairment	<u>–</u>	<u>(44)</u>
	607	1,071
Internally generated software – at cost	44,872	47,154
Less: Accumulated amortisation	<u>(22,620)</u>	<u>(22,749)</u>
Less: Accumulated impairment	<u>(1,290)</u>	<u>(2,685)</u>
	20,962	21,720
	<u>78,049</u>	<u>81,183</u>

Reconciliations

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

<i>Consolidated</i>	<i>Goodwill</i>	<i>Customer relationships and contracts</i>	<i>Purchased software</i>	<i>Internally generated software</i>	<i>Total</i>
	<i>AUD\$'000</i>	<i>AUD\$'000</i>	<i>AUD\$'000</i>	<i>AUD\$'000</i>	<i>AUD\$'000</i>
Balance at 1 July 2020	55,167	3,225	1,071	21,720	81,183
Additions	–	–	35	3,456	3,491
Exchange differences	(1,469)	–	(20)	–	(1,489)
Impairment of assets	–	–	–	(1,290)	(1,290)
Amortisation expense	<u>–</u>	<u>(443)</u>	<u>(479)</u>	<u>(2,924)</u>	<u>(3,846)</u>
Balance at 31 December 2020	<u>53,698</u>	<u>2,782</u>	<u>607</u>	<u>20,962</u>	<u>78,049</u>

Impairment testing

Impairment testing of the Group's goodwill and intangible assets was performed as at 31 December 2020. As part of this process, management reviewed the recoverability of the carrying value of intangible assets including software and customer relationships. The review of specific asset utilisation has resulted in an impairment charge of AUD\$1,290,000 (30 June 2020: AUD\$246,000) of software assets and AUD\$nil (30 June 2020: AUD\$2,406,000) of customer relationships and contracts. These software assets were identified by management as no longer being actively used in the business to generate future economic benefits and also do not form part of management's strategy. Accordingly, these assets have been derecognised as at 31 December 2020.

Goodwill is allocated and tested for impairment at the CGU level, which consists of ANZ and South East Asia (30 June 2020: ANZ, South East Asia and North Asia). This is equivalent to the reportable operating segments disclosed in note 2. This has resulted in AUD\$nil impairment charge (30 June 2020: AUD\$7,100,000 in North Asia).

Allocation of indefinite life intangible assets

The Group's indefinite life intangible assets are allocated to Group's segments as follows:

	<i>Consolidated</i>	
	<i>31 Dec</i> <i>2020</i> <i>AUD\$'000</i>	<i>30 June</i> <i>2020</i> <i>AUD\$'000</i>
Goodwill		
ANZ	34,325	34,324
South East Asia	19,373	20,843
	<u>53,698</u>	<u>55,167</u>

Impairment testing and key assumptions

The following sets out the key assumptions for the CGUs where the impairment assessments were performed as at 31 December 2020.

The recoverable amount of the Group's assets has been assessed for the CGUs outlined above and uses the value in use basis.

The following key assumptions were used in the discounted cash flow model for the different CGUs:

- (a) Based on a business plan approved by the Board of Directors, for the next five financial years from 2021 to 2025.
- (b) Terminal growth rates applied are ANZ 2 per cent. (30 June 2020: 2 per cent.), South East Asia 4 per cent. (30 June 2020: 4 per cent.). The terminal value growth rate represents the forecast consumer price index for each CGU, combined with Gross Domestic Product growth rate expectations in the geographical locations in which the Group operates.
- (c) Weighted average cost of capital post-tax: ANZ 13.75 per cent. (30 June 2020: 15.5 per cent.) South East Asia 15.25 per cent. (30 June 2020: 17.5 per cent.). The discount rate represents the underlying cost of capital adjusted for market, country and asset specific risks.

Sensitivity

The revenue and EBITDA forecasted in the approved business plan is a key judgment in management's impairment assessment, and a reasonably possible change in the assumptions that underpin the achievement of these forecasts could lead to an impairment in future periods.

A decrease in net cash flows annually for the next five years that would result in each CGU's recoverable amount falling below its carrying value is as follows: ANZ (decrease of 10.4 per cent.) and South East Asia (decrease of 38.7 per cent.).

A weighted average cost of capital that would result in each CGU's recoverable amount falling below its carrying value is as follows: ANZ (14.9 per cent.) and South East Asia (20.6 per cent.).

The terminal growth rate that would result in each CGU's recoverable amount falling below its carrying value is as follows: ANZ (0.5 per cent.) and South East Asia (negative 5.8 per cent.).

As part of the impairment assessment, the Group has considered a number of different scenarios which analyses the impact of different growth rates and cost structures on the ANZ CGU's cash flow forecasts. The recoverable amount of the assets as at 31 December 2020 for ANZ exceeds the carrying value in the lowest and highest scenarios by a range of AUD\$6,286,000 to AUD\$21,451,000 respectively.

The recoverable amount of the assets as at 31 December 2020 for South East Asia exceeds the carrying value by AUD\$14,464,000.

Note 8. Borrowings

	<i>Consolidated</i>	
	<i>31 Dec</i>	<i>30 June</i>
	<i>2020</i>	<i>2020</i>
	<i>AUD\$'000</i>	<i>AUD\$'000</i>
<i>Current liabilities</i>		
Bank loan	2,250	4,000
Prepaid facility costs	(46)	(185)
	<u>2,204</u>	<u>3,815</u>
<i>Non-current liabilities</i>		
Bank loan	37,750	36,750
Prepaid facility costs	(86)	(15)
	<u>37,664</u>	<u>36,735</u>
	<u>39,868</u>	<u>40,550</u>

Total secured liabilities

The total secured liabilities are as follows:

	<i>Consolidated</i>	
	<i>31 Dec</i>	<i>30 June</i>
	<i>2020</i>	<i>2020</i>
	<i>AUD\$'000</i>	<i>AUD\$'000</i>
Bank loans	<u>40,000</u>	<u>40,750</u>

Assets pledged as security

During the half-year ended 31 December 2020, the Group refinanced the bank loan facilities from Westpac Banking Corporation ('Westpac') to the Commonwealth bank of Australia ('CBA'). On 13 October 2020, the Group entered into a new three-year AUD\$46,600,000 loan facility with the CBA, including AUD\$33,500,000 amortising facility (A), AUD\$12,000,000 revolving cash advance (B) and AUD\$1,100,000 revolving working capital, letter of credit and bank guarantee facility and Ancillary Facility (C). Under the facility, the Group shall repay principal of AUD\$750,000 per quarter, with the first repayment on 30 June 2021.

Financing arrangements

Unrestricted access was available at the reporting date to the following lines of credit:

	<i>Consolidated</i>	
	<i>31 Dec</i>	<i>30 June</i>
	<i>2020</i>	<i>2020</i>
	<i>AUD\$'000</i>	<i>AUD\$'000</i>
Total facilities		
Bank loans	<u>46,600</u>	<u>47,164</u>
Used at the reporting date		
Bank loans	<u>40,000</u>	<u>40,750</u>
Unused at the reporting date		
Bank loans	<u>6,600</u>	<u>6,414</u>

As at 31 December 2020, the AUD\$6,600,000 remaining facility with CBA includes a AUD\$1,100,000 multi-option credit facility, of which AUD\$441,000 has been used in the form of bank guarantee and AUD\$50,000 as a stand-by letter of credit. As at 30 June 2020, the remaining facility AUD\$6,414,000 with Westpac included a AUD\$3,000,000 multi-option credit facility, of which AUD\$431,000 has been used in the form of bank guarantee.

Note 9. Lease liabilities

	<i>Consolidated</i>	
	<i>31 Dec</i>	<i>30 June</i>
	<i>2020</i>	<i>2020</i>
	<i>AUD\$'000</i>	<i>AUD\$'000</i>
<i>Current liabilities</i>		
Lease liability	<u>2,699</u>	<u>3,761</u>
<i>Non-current liabilities</i>		
Lease liability	<u>3,349</u>	<u>4,654</u>
	<u>6,048</u>	<u>8,415</u>

Reconciliation

Reconciliation of lease liabilities at the beginning and end of financial half-year are set out below:

	<i>Consolidated</i>
	<i>31 Dec</i>
	<i>2020</i>
	<i>AUD\$'000</i>
Balance at 1 July 2020	8,415
Lease modification	109
Reversal of lease liabilities	(521)
Termination of lease	(185)
Interest and other adjustments	149
Repayment of lease liabilities*	(1,773)
Exchange differences	<u>(146)</u>
Balance at 31 December 2020	<u>6,048</u>

*In the statement of cash flows payment of interest component of AUD\$149,000 is included within operating activities and repayment of lease liabilities (excluding finance cost) of AUD\$1,624,000 is including within financing activities.

Note 10. Dividends

There were no dividends paid, recommended or declared during the current or previous financial half-year.

Note 11. Fair value measurement

Fair value hierarchy

The following tables detail the Group's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>	<i>Total</i>
	<i>AUD\$'000</i>	<i>AUD\$'000</i>	<i>AUD\$'000</i>	<i>AUD\$'000</i>
<i>Consolidated – 30 June 2020</i>				
Liabilities				
Interest rate swap contracts – cash flow hedges	<u>–</u>	<u>92</u>	<u>–</u>	<u>92</u>
Total liabilities	<u>–</u>	<u>92</u>	<u>–</u>	<u>92</u>

There were no transfers between levels as at 31 December 2020. There were no cash flow hedges as at 31 December 2020.

The carrying values of financial assets and financial liabilities represent a reasonable approximation of fair value. The carrying amounts of trade and other receivables and trade and other payables approximate their fair values due to their short-term nature. The fair value of financial liabilities is estimated by discounting the remaining contractual maturities at the current market interest rate that is available for similar financial liabilities.

Note 12. Contingent liabilities

	<i>Consolidated</i>	
	<i>31 Dec 2020 AUD\$'000</i>	<i>30 June 2020 AUD\$'000</i>
Bank guarantees	441	431

Note 13. Earnings per share

	<i>Consolidated</i>	
	<i>31 Dec 2020 AUD\$'000</i>	<i>30 Dec 2019 AUD\$'000</i>
(Loss)/profit after income tax attributable to the owners of Isentia Group Limited	(5,877)	677
	<i>Number</i>	<i>Number</i>
Weighted average number of ordinary shares used in calculating basic earnings per share	200,000,001	200,000,001
Adjustments for calculation of diluted earnings per share:		
Performance rights	–	1,214,749
Weighted average number of ordinary shares used in calculating diluted earnings per share	200,000,001	201,214,750
	<i>Cents</i>	<i>Cents</i>
Basic earnings per share	(2.938)	0.338
Diluted earnings per share	(2.938)	0.336

There are no adjustments in relation to the effects of dilutive potential ordinary shares due to the loss-making position of the Group for the period ended 31 December 2020.

Note 14. Events after the reporting period

The impact of COVID-19 is ongoing and it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

No other matter or circumstance has arisen since 31 December 2020 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.

PART V

UNAUDITED PRO FORMA STATEMENT OF NET ASSETS OF THE ENLARGED GROUP

The following unaudited pro forma statement of net assets of the Enlarged Group (the “pro forma statement of net assets”) has been prepared to illustrate the effect on the consolidated net assets of the Group as if the Acquisition and Placing had taken place on 30 November 2020.

The unaudited pro forma statement of net assets has been prepared for illustrative purposes only and illustrates the impact of the Acquisition and Placing as if they had been undertaken at an earlier date. As a result, the hypothetical financial position or results included in the Unaudited Pro Forma Financial Information may differ from the Enlarged Group’s actual financial position or results.

The unaudited pro forma statement of net assets is based on the consolidated net assets of the Group as at 30 November 2020, set out in the audited consolidated interim financial statements of the Group for the year ended 30 November 2020.

The unaudited pro forma statement of net assets has been prepared in a manner consistent with the accounting policies adopted by the Company in preparing such information, in accordance with Annex 20 of the Prospectus Regulation and on the basis set out in the notes below.

	<i>The Group as at 30 November 2020 (note 1) £000</i>	<i>Isentia as at 31 December 2020 (note 2) £000</i>	<i>Acquisition of Isentia (notes 3) £000</i>	<i>Net Fundraise proceeds (note 4) £000</i>	<i>Repayment of bank borrowings (Note 5) £000</i>	<i>Pro forma net assets of the Enlarged Group £000</i>
Assets						
Non-current assets						
Intangible assets	15,732	43,951	–	–	–	59,683
Investments in equity-accounted associates	57	–	–	–	–	57
Right-of-use assets	2,329	3,277	–	–	–	5,606
Property, plant and equipment	496	1,134	–	–	–	1,630
Deferred tax assets	18	3,513	–	–	–	3,531
	<u>18,632</u>	<u>51,875</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>70,507</u>
Current assets						
Trade and other receivables	5,976	8,620	–	–	–	14,596
Current tax receivables	548	63	–	–	–	611
Cash and cash equivalents	1,403	5,443	(19,493)	46,500	(22,451)	11,402
	<u>7,927</u>	<u>14,126</u>	<u>–</u>	<u>46,500</u>	<u>(22,451)</u>	<u>26,609</u>
Total assets	<u>26,559</u>	<u>66,001</u>	<u>(19,493)</u>	<u>46,500</u>	<u>(22,451)</u>	<u>97,116</u>
Liabilities						
Non-current liabilities						
Loans and borrowings	–	(21,210)	–	–	21,210	–
Lease liabilities	(2,441)	(1,886)	–	–	–	(4,327)
Provisions	(213)	(174)	–	–	–	(387)
Deferred tax liabilities	(520)	(4,094)	–	–	–	(4,614)
	<u>(3,174)</u>	<u>(27,364)</u>	<u>–</u>	<u>–</u>	<u>21,210</u>	<u>(9,328)</u>
Current liabilities						
Trade and other payables	(5,621)	(7,506)	–	–	–	(13,127)
Loans and borrowings	–	(1,241)	–	–	1,241	–
Contract assets	(8,122)	(2,556)	–	–	–	(10,678)
Lease liabilities	(558)	(1,520)	–	–	–	(2,078)
Tax liabilities	–	(79)	–	–	–	(79)
Provisions	–	(3,267)	–	–	–	(3,267)
	<u>(14,301)</u>	<u>(16,169)</u>	<u>–</u>	<u>–</u>	<u>1,241</u>	<u>(29,229)</u>
Total liabilities	<u>(17,475)</u>	<u>(43,533)</u>	<u>–</u>	<u>–</u>	<u>22,451</u>	<u>(38,557)</u>
Net assets	<u>9,084</u>	<u>22,468</u>	<u>(19,493)</u>	<u>46,500</u>	<u>–</u>	<u>58,559</u>

Notes:

1. The net assets of the Group at 30 November 2020 have been extracted without adjustment from the consolidated audited financial statements of the Group for the year ended 30 November 2020 which are incorporated by reference in this document.

Adjustments:

2. The consolidated net assets of Isentia have been extracted without adjustment, save for conversion from Australian dollars to Pounds Sterling using the closing rate on 31 December 2020, from the interim unaudited financial statements of Isentia set out in Part IV of this document.
3. An adjustment has been made to reflect the estimated intangible assets arising on the acquisition of Isentia.

For the purposes of this pro forma information, no adjustment has been made to the separate assets and liabilities of Isentia to reflect their fair value. The difference between the net assets of Isentia as stated at their book value at 31 December 2020 and the estimated consideration results in a gain on bargain purchase (negative goodwill) and has therefore been presented as a credit to the Income Statement on acquisition. The net assets of Isentia will be subject to a fair value restatement as at the effective date of the transaction. Actual intangible assets included in the Company's next published financial statements may therefore be materially different from that included in the pro forma statement of net assets.

	£000
Consideration payable in cash	19,493
Total consideration	<u>19,493</u>
Book value of net assets of Isentia as at 31 December 2020	22,468
Gain on bargain purchase arising on the Transaction	<u>(2,975)</u>

4. The Fundraising is estimated to raise net proceeds of £46.5 million (£50 million gross proceeds less estimated expenses of £3.5 million). No account has been taken of any net proceeds from the Retail Offer.
5. On the acquisition of Isentia, Access Intelligence will assume the total indebtedness with Isentia as at the Scheme Implementation Date. Part of the proceeds of the Fundraising will be used to repay all of the loans and borrowings within Isentia. The balances shown as repaid in the table above are the balances as at 31 December 2020. The actual amount of indebtedness repaid will be the balances as at the actual date of repayment.
6. No account has been taken of the financial performance of the Group since 30 November 2020, the financial performance of Isentia since 31 December 2020, nor of any other event save as disclosed above.

PART VI

ADDITIONAL INFORMATION

1. RESPONSIBILITY STATEMENT

The Company and each of the Directors, whose names and functions are set out on page 10 of this document, both individually and collectively, accept responsibility for the information contained in this document including individual and collective responsibility for compliance with the AIM Rules. To the best of the knowledge of the Company and each of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

2. INCORPORATION AND STATUS OF THE COMPANY

- 2.1 The Company was incorporated in England and Wales under the Act on 13 June 2003 as a private limited company under the name "Readymarket Limited" with registered number 04799195. On 24 July 2003 the Company was re-registered as a public limited company. On 28 November 2003, the Company changed its name to "Access Intelligence plc".
- 2.2 The liability of the Shareholders is limited. The principal legislation under which the Company operates and the Placing Shares will be issued is the Act.
- 2.3 The registered office and principal place of business of the Company is at The Johnson Building, 79 Hatton Garden, London, EC1N 8AW. Its telephone number is +44 (0)20 3426 4070.
- 2.4 The Company is domiciled in the United Kingdom.

3. THE COMPANY AND THE SUBSIDIARIES

- 3.1 As at the date of this document, the Company has six subsidiaries or subsidiary undertakings. Following Implementation, the Company will have 23 additional subsidiaries or subsidiary undertakings, being Isentia and its 22 wholly owned subsidiaries. Details of all these subsidiaries as they will be at Re-Admission are as follows:

<i>Name</i>	<i>Country of incorporation</i>	<i>Registered Number</i>	<i>Percentage owned at the date of this document</i>	<i>Principal activity</i>	<i>Percentage ownership and voting power on Re-Admission</i>
AIMediaData Limited*	UK	09623726	100	Software development	100
Access Intelligence Media and Communications Limited*	UK	03819220	100	Software development	100
ResponseSource Limited*	UK	03364882	100	Software development	100
Fenix Media Limited*	UK	04378213	100	Software development	100
Face US Inc.*	USA	3394566	100	Software development	100
Vuelio Australia Pty Limited*	Australia	640 911 539	100	Software development	100
Isentia Group Limited	Australia	167 541 568	0	Software development	100
Isentia Holdings Pty Limited	Australia	144 573 795	0	Software development	100

<i>Name</i>	<i>Country of incorporation</i>	<i>Registered Number</i>	<i>Percentage owned at the date of this document</i>	<i>Principal activity</i>	<i>Percentage ownership and voting power on Re-Admission</i>
Isentia Finance Pty Limited	Australia	144 572 994	0	Software development	100
Isentia Pty Limited	Australia	002 533 851	0	Software development	100
Media Monitors Pty Limited	Australia	163 382 429	0	Software development	100
Isentia Limited	New Zealand	1471802	0	Software development	100
Isentia Library Group SDN BHD	Malaysia	540970-T	0	Software development	100
Isentia (M) SDN BHD	Malaysia	436266-H	0	Software development	100
Isentia (Johor Bahru) SDN BHD	Malaysia	548090-V	0	Software development	100
PT Isentia Jakarta	Indonesia	09.02.1.70.21543	0	Software development	100
Isentia Vietnam Co	Vietnam	411043001931	0	Software development	100
Isentia Manila Inc.	Philippines	A200204077	0	Software development	100
Isentia Bangkok Co Ltd	Malaysia	105555061101	0	Software development	100
Isentia Pte Ltd	Singapore	200613632N	0	Software development	100
Isentia Brandology Pte Limited	Singapore	200810656C	0	Software development	100
Brandology Inc.	USA	3252408	0	Software development	100
Slice Media Pty Ltd	Australia	115 461 124	0	Software development	100
BuzzNumbers Pty Ltd	Australia	135 524 275	0	Software development	100
Isentia Limited	Hong Kong	1132631	0	Software development	100
Beijing Isentia Information Consulting Co Ltd	China	911101056691013807	0	Software development	100
Isentia Strategy & Content Pty Ltd	Australia	140 177 680	0	Software development	100
King Content Inc.	USA	150203	0	Software development	100
Isentia Taiwan	Taiwan	16312599	0	Software development	100

*the Company's subsidiaries or subsidiary undertakings as at the date of this Document

4. SHARE CAPITAL OF THE COMPANY

4.1 The issued fully paid up share capital of the Company (i) as at the date of this document and (ii) on Re-Admission, is as follows:

<i>Class</i>	<i>As at the date of this document</i>		<i>On Re-Admission**</i>	
	<i>Number of shares</i>	<i>Aggregate nominal value (£)</i>	<i>Number of Shares</i>	<i>Aggregate nominal value (£)</i>
Ordinary Shares	87,646,515*	4,382,325.75	130,979,849**	6,548,992.45

* of which 2,966,666 Ordinary Shares are currently held in treasury

** assumes full take up of the Retail Offer Shares under the Retail Offer

- 4.2 The following is a summary of the changes to the issued share capital of the Company since 1 December 2017 to 11 June 2021, being the last practicable date prior to publication of this document:
- 4.2.1 In January 2018, 31,250,000 ordinary shares were issued at 4p each as a result of the conversion of 2009 convertible loan notes and 36,666,665 ordinary shares were issued at 3p each as a result of the conversion of 2014 convertible loan notes.
 - 4.2.2 In May 2018, 70,000,000 ordinary shares were issued at 4p each in conjunction with a placing to existing shareholders and management.
 - 4.2.3 In November 2018, the Company completed a one-for-ten share consolidation to reduce the number of ordinary shares in issue. To effect the share consolidation, it was necessary to issue an additional eight shares so that the Company's issued ordinary share capital was exactly divisible by 10. Subsequent to the share consolidation, 14,320,000 Ordinary Shares were issued at 47.5p each in a placing and 793,651 Ordinary Shares were issued as consideration for an acquisition at 63p per Ordinary Share on 2,105,264 of those Ordinary Shares were allotted on 2 November 2018 and the balance of 13,008,387 Ordinary Shares were allotted on 5 November 2018.
 - 4.2.4 During 2019, 100,000 share options were exercised at 27.5p per Ordinary Share, 100,000 share options were exercised at 25p per Ordinary Share, 100,000 share options were exercised at 22p per Ordinary Share and 150,000 share options were exercised at 43.75p per Ordinary Share.
 - 4.2.5 In October 2019, 6,345,153 Ordinary Shares were issued in a placing at 52p per Ordinary Share and 8,653,846 Ordinary Shares were issued as consideration for the acquisition of Fenix Media Limited and Face US Inc. on 7 October 2019 of which 4,076,238 Ordinary Shares were repurchased during 2020 for a total consideration of £1 and subsequently cancelled.
 - 4.2.6 On 9 December 2020, the Company announced the placing of 12,500,000 new shares at a price of 80p per share to raise gross proceeds of £10,000,000. 7,922,280 Ordinary Shares were allotted on 15 December 2020 and the remaining 4,577,720 Ordinary Shares were allotted on 5 January 2021.
- 4.3 On 13 May 2021 at the Company Annual General Meeting (the "AGM") the shareholders approved the following authorities:
- 4.3.1 In substitution for all existing authorities, the Directors were generally and unconditionally authorised under Section 551 of the Act to exercise all powers of the Company to allot shares or to grant rights to subscribe for or to convert any security in to shares in the Company up to an aggregate nominal amount of £1,411,331 to such persons and at such time and on such terms as they think proper, and a further aggregate nominal amount of £1,411,331 in connection with a pre-emptive rights issue, provided that such authority expires on the earlier of the conclusion of the next annual general meeting of the Company and 12 August 2022, save that the Company may before such expiry make an offer or agreement which would or might require the relevant securities to be allotted after such expiry and the directors may allot the relevant securities in pursuance of such an offer if the authority had not expired;
 - 4.3.2 The Directors were generally and unconditionally empowered under Section 570 of the Act to allot equity securities (as defined in Section 560 of the Act) for cash pursuant to the authority conferred by the authority in (4.3.1 above) as if sub-section (1) of Section 561 of the Act did not apply to any such allotment. Such authority is limited to: (i) an allotment of equity securities in connection with an offer of such securities by way of rights issue, open offer or other pre-emptive offer: (a) to holders of Ordinary Shares in proportion (as nearly as may be practicable) to their respective holdings of such shares; and (b) to holders of other equity securities as required by the rights of those securities or as the directors otherwise consider necessary, but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or any legal or practical issues under the laws of any territory or the requirements of any regulatory body or stock exchange; and (ii) otherwise limited to the allotment of equity securities up to an aggregate nominal value of £438,233, provided that such power shall expire on the earlier

of the conclusion of the next annual general meeting of the Company and 12 August 2022, save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the directors may allot equity securities in pursuance of such an offer or agreement notwithstanding that the power conferred by the authority had expired.

- 4.4 Other than the Fundraising Shares and the Retail Offer Shares (as described in Part I of this document) and in relation to the exercise of the share options, the Company has no present intention to issue any further Ordinary Shares in the Company.
- 4.5 The Retail Offer Shares and the Fundraising Shares will, respectively, on Retail Offer Admission and Fundraising Admission, rank *pari passu* in all respects with all Existing Ordinary Shares and will rank in full for all dividends and other distributions thereafter declared, made or paid on the ordinary share capital of the Company.
- 4.6 Save as disclosed in Part VI of this document, at the date of this document:
- 4.6.1 No shares have been issued by the Company otherwise than as fully paid;
- 4.6.2 There are no shares in the Company held by or on behalf of the Company itself or by subsidiaries of the Company;
- 4.6.3 There are no acquisition rights and/or obligations over authorised but unissued capital or an undertaking to increase the capital;
- 4.6.4 The Company has no outstanding convertible securities, exchangeable securities or securities with warrants and no capital of the Company is proposed to be issued or is under option or is agreed conditionally or unconditionally to be put under option; and
- 4.6.5 The Company does not have in issue any securities not representing share capital.
- 4.7 With effect from Retail Offer Admission and Fundraising Admission, the Retail Offer Shares and the Fundraising Shares will be in registered form and may be held in accordance with the Company's Articles in certificated form or in uncertificated form through CREST.
- 4.8 On Re-Admission, the ISIN for the Ordinary Shares will be GB00BGQVB052.

5. ARTICLES OF ASSOCIATION

The New Articles will include provisions to the following effect:

5.1 Meetings of Members

The Company shall in each year hold a general meeting as its annual general meeting in addition to any other meetings in that year and not more than fifteen months shall elapse between the date of one annual general meeting of the Company and that of the next. Subject as aforesaid and to the provisions of the Act, the annual general meeting shall be held at such time and place as the directors may determine.

The directors may whenever they think fit, on requisition in accordance with the Act, proceed to convene a general meeting.

Subject to the provisions of the Act, an annual general meeting shall be called by twenty-one days' notice at the least, and all other general meetings shall be called by fourteen days' notice at the least. Every notice shall be in writing (or shall be given by electronic communication to an address being notified for that purpose to the Company) and shall specify the place, the day and the time of meeting, the general nature of such business, and in the case of an annual general meeting shall specify the meeting as such. Notices shall be given in manner hereinafter mentioned to all the members, other than those who under the provisions of the Articles or the conditions of issue of the shares held by them are not entitled to receive the notice, to the directors (including the alternate directors) and to the auditors for the time being and (where required by the Act) former auditors of the Company.

Where the Company has given an electronic address in any notice of meeting, any document or information relating to proceedings at the meeting may be sent by electronic means to that address, subject to any conditions or limitations specified in the relevant notice of meeting.

In every notice calling a meeting of the Company there shall appear with reasonable prominence a statement that a member entitled to attend and vote is entitled to appoint one or more proxies to attend and vote instead of him and that a proxy need not also be a member.

The accidental omission to give notice of a meeting to, or the non-receipt of notice by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

Any person (whether a member or not) may be appointed to act as a proxy. A member may appoint more than one proxy to attend on the same occasion. When two or more valid but differing instruments of proxy are delivered in respect of the same share for use at the same meeting and in respect of the same matter, the one which is last validly delivered (regardless of its date or the date of its execution) shall be treated as replacing and revoking the other or others as regards that share. If the Company is unable to determine which instrument was last validly delivered, none of them shall be treated as valid in respect of that share.

The appointment of a proxy shall be in writing in the usual common form, or such other form as may be approved by the directors, and shall be signed by the appointor or by his attorney duly authorised in writing, or if the appointor is a corporation, shall be either under its common seal or under the hand of a duly authorised officer or attorney of the corporation. The Directors may, but shall not be bound to, require evidence of authority of such officer or attorney. An instrument of proxy need not be witnessed.

Any corporation which is a member of the Company may, by resolution of its directors or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of the Company, or at any meeting of any class of members of the Company, and on presentation of a certified copy of such resolution the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual member of the Company and such corporation shall, for the purpose of these Articles, be deemed to be present in person at such meeting if a person so authorised is present thereat.

5.2 ***Voting Rights***

Subject to any special rights or restrictions as to voting attached to any shares by or in accordance with the Articles, on a show of hands every member who is present in person or by representative (in the case of a corporate member) or by proxy not being himself a member shall have one vote and on a poll every member who is present in person or by representative (in the case of a corporate member) or by proxy shall have one vote for every share of which he is the holder.

In the case of joint holders of a share, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register of members in respect of the share.

No member shall, unless the directors otherwise determine, be entitled to vote at any general meeting or at any separate meeting of the holders of any class of shares in the Company either personally or by proxy, or to exercise any privilege as a member, unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.

5.3 ***Alteration of Capital***

The Company may by ordinary resolution:

- (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares; whenever as a result of any consolidation of shares any member would become entitled to a fraction of a share, the directors may for the purpose of eliminating such fractions sell the shares representing the fractions for the best price reasonably obtainable to any person including, subject to the provisions of the Act, the Company and distribute the proceeds of sale in due proportion among the members who would have been entitled to the fractions of shares,

and for the purpose of any such sale the directors may authorise some person to transfer the shares representing the fractions to the purchaser thereof whose name shall thereupon be entered in the register of members as the holder of the shares, and who shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale;

- (b) cancel any shares which, at the date of the passing of the resolution, have not been taken, or agreed to be taken, by any person, and diminish the amount of share capital by the amount of the shares so cancelled; and
- (c) sub-divide its shares, or any of them, into shares of smaller amount (subject nevertheless to the provisions of the Act), and so that the resolution whereby any share is subdivided may determine that, as regards each share so subdivided, one or more of the shares resulting from such subdivision may have any such preferred or other special rights over, or may have such deferred rights, or be subject to any such restrictions as compared with the others, as the Company has power to attach to unissued or new shares.

The Company may by special resolution reduce its share capital and any capital redemption reserve and any share premium account in any manner subject to the provisions of the Act.

5.4 **Variation of Rights**

Subject to the provisions of the Act, if at any time the capital of the Company is divided into different classes of shares, the rights attached to any class may be varied or abrogated, whether or not the Company is being wound up, either

- (a) in such manner (if any) as may be provided by such rights; or
- (b) in the absence of any such provisions with the consent in writing of the holders of three-quarters in nominal value of the issued shares of that class, or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of the class, but not otherwise.

To every such separate meeting all the provisions of the Articles relating to general meetings of the Company or to the proceedings thereat shall, so far as applicable and with the necessary modifications, apply, except that the necessary quorum at any such meeting other than an adjourned meeting shall be two persons at least holding or representing by proxy at least one-third in nominal value of the issued shares of the class in question and at an adjourned meeting one person holding shares of the class in question or his proxy and that any holder of shares of the class in question present in person or by proxy may demand a poll.

5.5 **Purchase of Own Shares**

Subject to the provisions of the Act and subject to any approval by means of a special resolution at a separate class meeting of the holders of any class of convertible shares the Company shall have power to purchase its own shares, including any redeemable shares.

5.6 **Transfer of Shares**

Title to and interest in shares may be transferred without a written instrument in accordance with statutory regulations from time to time made under the Act.

Transfer of shares may be effected by transfer in writing in any usual or common form or in any other form acceptable to the directors. The instrument of transfer shall be signed by or on behalf of the transferor and (except in the case of fully paid shares) by or on behalf of the transferee. The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered on the register of members in respect thereof.

5.7 **Dividends and other distributions**

The profits of the Company available for distribution and resolved to be distributed shall be applied in the payment of dividends to the members in accordance with their respective rights and priorities. The Company in general meeting may declare dividends accordingly.

No dividends shall be payable otherwise than in accordance with the Act and out of the profits of the Company available for that purpose and no dividend shall exceed the amount recommended by the directors.

Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid-up on the shares in respect whereof the dividend is paid, but no amount paid up on a share in advance of calls shall be treated for this purpose as paid up on the share. All dividends shall be apportioned and paid *pro rata* according to the amount paid up on the shares during any portion or portions of the period in respect of which the dividend is paid, except that if any share is issued on terms providing that it shall carry any particular rights as to dividend, such share shall rank for dividend accordingly.

The directors may if they think fit from time to time pay to the members such interim dividends as appear to the directors to be justified by the profits of the Company and are permitted by the Act. If at any time the share capital of the Company is divided into different classes, the directors may (subject to the provisions of the Act) pay such interim dividends in respect of those shares in the capital of the Company which confer on the holders thereof deferred or non-preferred rights as well as in respect of those shares which confer on the holders thereof preferential rights with regard to dividend but no interim dividend shall be paid on shares carrying deferred or non-preferred rights if, at any time of payment, any preferential dividend is in arrears. The directors may also pay half yearly, or at other suitable intervals to be settled by them, any dividend which may be payable at a fixed rate if they are of the opinion that the profits justify the payment and if and to the extent that such payment is permitted by the Act. Provided the directors act *bona fide* they shall not incur any responsibility to the holders of shares conferring a preference for any damage that they may suffer by reason of the payment of any interim dividend on any shares having deferred or non-preferred rights.

All unclaimed dividends may be invested or otherwise made use of by the directors for the benefit of the Company until claimed and the payment of any such dividend into a separate account or the investment of such dividend shall not constitute the Company a trustee in respect thereof. No dividend or other monies payable in respect of a share shall bear interest as against the Company unless otherwise provided by the rights attached to the share. Any dividend which has remained unclaimed for a period of twelve years from the date of declaration thereof shall at the expiration of that period be forfeited and cease to remain owing by the Company and shall thenceforth belong to the Company absolutely.

The directors may subject to the provisions of the Articles, declare that each Ordinary Shareholder may elect to forego his right to participate in such dividend (or such part thereof as the directors may determine) and to receive instead an allotment of Ordinary Shares to the extent and within the limits and on the terms and conditions set out in the Articles. The directors shall announce any such decision as aforesaid in conjunction with any announcement of the relevant dividend and shall send to the Ordinary Shareholders affected thereby notices of election as soon as practicable after the number of shares applicable to the election shall be known.

The directors shall not make any such decision as aforesaid unless the Company shall by ordinary resolution approve the exercise by the directors of their powers so to do in respect of the dividend in question or in respect of any dividends declare or paid in respect of each specified financial year or period of the Company which dividends include the dividend in question.

The directors may deduct from any dividend or other monies payable to any member on or in respect of a share all sums of money (if any) presently payable by him to the Company on account of calls or otherwise in relation to shares of the Company. The Company may cease to send any cheque or warrant through the post for any dividend payable on any shares in the Company which is normally paid in that manner on those shares if in respect of at least two consecutive dividends payable on those shares the cheques or warrants have been returned undelivered or remain uncashed but, subject to the provisions of these Articles, shall recommence sending cheques or warrants in respect of dividends payable on those shares if the holder or person entitled by transmission claims the arrears of dividend and does not instruct the Company to pay future dividends in some other way.

5.8 **Directors**

- (i) Each director shall retire by rotation at the annual general meeting held in the third calendar year following the year in which such director was elected or last re-elected. A director retiring by rotation shall be eligible for re-election.
- (ii) Subject to the provisions of the Act and of the Articles, the directors to retire in every year shall include (so far as necessary to obtain the number required) any director who wishes to retire and not to offer himself for re-election. Any further directors so to retire shall be those who have been longest in office since their last appointment or reappointment. Subject as aforesaid, a retiring director shall be eligible for reappointment.
- (iii) The directors may, in accordance with the requirements set out in the Articles and notwithstanding anything to the contrary in the Articles, authorise any matter proposed to them by any director which would, if not authorised, involve a director breaching his duty under section 175 of the Act to avoid conflicts of interest.
- (iv) A director appointed to any executive office shall receive remuneration by way of salary, bonus, commission, participation in profits, provision for retirement or insurance benefit, or partly in one way and partly in another, or otherwise, as may be determined by the board of directors who may delegate their authority.
- (v) The directors may establish, maintain, participate in or contribute to or procure the establishment and maintenance of, participation in or contribution to any pension, annuities, superannuation, benevolent or life assurance fund, scheme or arrangement (whether contributory or otherwise) for the benefit of, and give or procure the giving of donations, gratuities, pensions, allowances, benefits and emoluments to, any persons who are or were at any time in the employment or service of the Company, or any of its predecessors in business, or of any Company which is a subsidiary of the Company or is allied to or associated with the Company, or with any such subsidiary, or who may be or have been directors or officers of the Company, or of any such other Company as aforesaid, and the wives, widows, families and dependents of any such persons, and also establish, subsidise and subscribe to any institutions, associations, societies, clubs, trusts or firms calculated to be for the benefit of or to advance the interests and well-being of the Company or of such other Company as aforesaid, or of any such persons as aforesaid, and make payments for or towards the insurance of any such persons as aforesaid, and (subject to the provisions of the Act) establish and contribute to any scheme for the acquisition of shares in the Company or its holding company (whether or not an employees' share scheme within the meaning of the Act) and (subject as aforesaid) lend money to the Company's employees to enable them to acquire such shares, and subscribe or guarantee money for charitable or benevolent objects, or for any exhibition or for any public, general or useful object, and do any of the matters aforesaid either alone or in conjunction with others. Subject always, if the Act shall so require, to particulars with respect to the proposed payment being disclosed to the members of the Company and to the proposal being approved by the Company by ordinary resolution, any director shall be entitled to participate in and retain for his own benefit any such donation, gratuity, pension, allowance, benefit or emolument.
- (vi) Any statutory provision which, subject to the provisions of the Articles, would have the effect of rendering any person ineligible for appointment or election as a director or liable to vacate office as a director on account of such person having reached any specified age or of requiring special notice or any other special formality in connection with the appointment or election of any director over a specified age, shall not apply to the Company.
- (vii) Subject as provided in the Articles, the directors shall be not less than 2 in number but the Company may by ordinary resolution from time to time vary the minimum number and may also fix and from time to time vary a maximum number of directors.
- (viii) The Company may from time to time by ordinary resolution increase or reduce the number of directors and may also determine in what rotation such increased or reduced number is to retire from office.

5.9 ***Borrowing Powers***

The directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property, assets and uncalled capital, and (subject to the Act) to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

6. **TAKEOVER CODE**

6.1 ***Mandatory bid***

The Takeover Code applies to quoted public companies and, in addition, unquoted public companies whose central management and control remain in the UK. Accordingly, the Takeover Code applies to the Company.

Under the Takeover Code, if an acquisition of Ordinary Shares were to increase the aggregate holding of the acquirer and its concert parties to shares carrying 30 per cent. or more of the voting rights in the Company, the acquirer and, depending on the circumstances, its concert parties, would be required (except with the consent of the Panel on Takeovers and Mergers) to make a cash offer for the outstanding Ordinary Shares in the Company at a price not less than the highest price paid for the Ordinary Shares by the acquirer or its concert parties during the previous 12 months. Rule 9 of the Takeover Code further provides, among other things, that where any person who, together with persons acting in concert with him holds over 50 per cent. of the voting rights of a company, acquires an interest in Ordinary Shares which carry additional voting rights, then they will not generally be required to make a general offer to the other shareholders to acquire the balance of their Ordinary Shares.

This requirement would also be triggered by any acquisition of Ordinary Shares by a person holding (together with its concert parties) shares carrying between 30 and 50 per cent. of the voting rights in the Company if the effect of such acquisition were to increase that person's percentage of the total voting rights of the Company.

6.2 ***Squeeze-out***

Under the Act, if an offeror were to acquire 90 per cent. of the Ordinary Shares within four months of making its offer, it could then compulsorily acquire the remaining 10 per cent. It would do so by sending a notice to outstanding Shareholders telling them that it will compulsorily acquire their shares and then, six weeks later, it would execute a transfer of the outstanding shares in its favour and pay the consideration to the Company, which would hold the consideration on trust for outstanding Shareholders.

The consideration offered to the Shareholders whose shares are compulsorily acquired under the Act must, in general, be the same as the consideration that was available under the takeover offer unless the Shareholders can show that the offer value is unfair.

6.3 ***Sell-out***

The Act also gives minority Shareholders a right to be bought out in certain circumstances by an offeror who had made a takeover offer. If a takeover offer related to all the Ordinary Shares and at any time before the end of the period within which the offer could be accepted the offeror held or had agreed to acquire not less than 90 per cent. of the Ordinary Shares, any holder of shares to which the offer relates who has not accepted the offer can by a written communication to the offeror require it to acquire those shares. The offeror would be required to give any Shareholder notice of his right to be bought out within one month of that right arising.

The offeror may impose a time limit on the rights of minority Shareholders to be bought out, but that period cannot end less than three months after the end of the acceptance period. If a Shareholder exercises its rights, the offeror is bound to acquire those shares on the terms of the offer or on such other terms as may be agreed.

7. DISCLOSURE OF INTERESTS

7.1 *Directors' and other interests*

7.1.1 The interests of the Directors (including persons connected with the Directors within the meaning of section 252 of the Act) in the issued share capital of the Company (excluding any Options in respect of such capital (details of which are set out at paragraph 7.1.2 of this Part VI)) as at the date of this document and as at Re-Admission are as follows:

<i>Name</i>	<i>At the date of this document</i>		<i>On Re-Admission</i>	
	<i>Number of Existing Ordinary Shares</i>	<i>Percentage of Issued Share Capital (%)*</i>	<i>Number of Ordinary Shares</i>	<i>Percentage of Enlarged Issued Share Capital (%)*</i>
Christopher Satterthwaite	77,632	0.09	90,132	0.07%
Joanna Arnold	745,538	0.88	745,538	0.57%
Mark Fautley	62,828	0.07	71,161	0.05%
Christopher Pilling	25,000	0.03	50,000	0.04%
Sarah Vawda**	nil	nil	16,666	0.01%
Katie Puris	nil	nil	nil	nil%

*Assuming full take up of the Retail Offer Shares under the Retail Offer

**Held through Vawda Associates Limited

7.1.2 As at the date of this document, the following Options have been granted to the Directors:

<i>Name</i>	<i>Date of Grant</i>	<i>Number of Option Shares</i>	<i>Expiry of Option</i>	<i>Exercise Price (£)</i>
Joanna Arnold	18.02.19	1,600,000	18.02.29	0.56
Mark Fautley	18.02.19	400,000	18.02.29	0.56

7.1.3 Save as disclosed in this paragraph 7 none of the Directors nor any member of their families, nor any person connected with them within the meaning of section 252 of the Act, has any interest in the issued share capital of the Company or its subsidiaries.

7.1.4 Save as disclosed in this paragraph 7 as at the date of this document, no Director has any option over or warrant to subscribe for any shares in the Company.

7.1.5 Save for the Placing Agreement and the Subscription Letter referred to in paragraph 11 of this Part VI, there are no agreements, arrangements or understandings (including compensation agreements) between any of the Directors, recent directors, shareholders or recent shareholders of the Company connected with or dependent upon Re-Admission or the Fundraising.

7.1.6 No Director or any member of their family holds or has held any financial product whose value in whole or in part is determined directly or indirectly by reference to the price of Ordinary Shares.

7.2 **Significant Shareholders**

7.2.1 In addition to those disclosed at paragraph 7.1 above, the Company is aware of the following persons who, at 11 June 2021 (being the latest practicable date before publication of this document) and following Re-Admission, have interests in voting rights over 3 per cent. or more of the issued share capital:

<i>Shareholder</i>	<i>At the date of this document</i>		<i>On Re-Admission</i>	
	<i>Number of Existing Ordinary Shares</i>	<i>Percentage of Issued Share Capital (%)</i>	<i>Number of Ordinary Shares</i>	<i>Percentage of Issued Share Capital (%)*</i>
Kestrel Partners LLP	21,795,933	25.74	30,197,433	23.90
Canaccord Genuity Group Inc	11,847,827	13.99	15,174,560	12.01
Draper Esprit VCT Plc	7,124,999	8.41	7,124,999	5.44
Unicorn AIM VCT	6,521,405	7.70	6,521,405	5.16
Gresham House Asset Management Limited	6,258,572	7.39	9,338,098	7.39
Herald Investment Management Limited	6,179,074	7.30	9,220,740	7.30
Chelverton Asset Management Limited	5,840,648	6.90	8,640,954	6.84
Octopus Investments Ltd	3,222,380	3.81	3,222,380	2.55

*Assuming full take up of the Retail Offer Shares under the Retail Offer

7.2.2 Save as disclosed above, the Directors are not aware of any person or persons who, directly or indirectly, have an interest in the Company which represents 3 per cent. or more of its issued share capital or voting rights who, directly or indirectly, jointly or severally, exercise or could exercise control over the Company.

7.2.3 Neither the Directors nor any of the significant shareholders listed above have different voting rights to other holders of the share capital of the Company.

8. ADDITIONAL INFORMATION ON THE DIRECTORS

8.1 The Directors currently hold the following directorships and are partners in the following partnerships and have held the following directorships and have been partners in the following partnerships within the five years prior to the publication of this document (other than in the Company):

<i>Name</i>	<i>Current Directorships/Partnerships</i>	<i>Former Directorships/Partnerships</i>
Christopher Satterthwaite	Queen Elizabeth Scholarship Trust Limited Spacehive Limited Zinc Media Group plc	Chime Group Holdings Limited Business In The Community Chime Communications Limited Chime Group Limited VCCP Holdings Limited (07873955) 14 Curzon Street 2 Limited The Roundhouse Trust Centaur Media Plc
Joanna Arnold	Fenix Media Limited Access Intelligence Media And Communications Limited Aimediadata Limited Responsesource Limited Track Record Holdings Limited Vuelio Australia Pty Ltd	One Voice Software Limited
Mark Fautley	Fenix Media Limited Access Intelligence Media And Communications Limited Aimediadata Limited Responsesource Limited Vuelio Australia Pty Ltd	None
Chris Pilling	Elliptic Enterprises Limited VIPR Digital Limited The Personal Web Company Limited IVXS UK Limited Inradium Limited Future Screen Partners 2005 No.3 LLP	Matchdeck Limited Aihit Limited The Content Group (Tcg) Limited Flexeye Limited Eralian Limited
Sarah Vawda	Hamlet Protein A/S New Nutrition Holding ApS New Nutrition ApS Noveltech Feeds Private Limited The Girls Network Vawda Associates Limited	University of Bedfordshire
Katie Puris	Windward School Hudson Link	None

8.2 Save as set out below in this document, no Director has:

- 8.2.1 any unspent convictions in relation to indictable offences (including fraudulent offences);
- 8.2.2 ever had any bankruptcy order made against him or entered into any individual voluntary arrangements with his creditors;
- 8.2.3 ever been a director of a company which has been placed in receivership, creditors' voluntary liquidation, compulsory liquidation or administration, or been subject to a voluntary arrangement or any composition or arrangement with its creditors generally or any class of its creditors, whilst he was a director of that company or within the 12 months after he ceased to be a director of that company;

- 8.2.4 ever been a partner in any partnership which has been placed in compulsory liquidation or administration or been the subject of a partnership voluntary arrangement whilst he was a partner in that partnership or within the 12 months after he ceased to be a partner in that partnership;
 - 8.2.5 owned, or been a partner in a partnership which owned, any asset which, while he owned that asset, or while he was a partner or within 12 months after his ceasing to be a partner in the partnership which owned that asset, entered into receivership;
 - 8.2.6 received any official public incrimination and/or sanction by any statutory or regulatory authority (including recognised professional bodies); or
 - 8.2.7 been disqualified by a court from acting as a director of any company or from acting in the management or conduct of the affairs of a company.
- 8.3 In August 1997, Ms Puris entered voluntary insolvency proceeding in Maryland USA with outstanding debts of approximately US\$10,000 owed to credit card companies. The insolvency proceedings were closed in December 1997 following a final decree from the courts in Maryland.
- 8.4 No Director nor member of a Directors' family has a related financial product (as defined in the AIM Rules) referenced to the Ordinary Shares.

9. DIRECTORS' SERVICE AGREEMENTS AND TERMS OF APPOINTMENT

- 9.1 Summary details of the service agreements and letters of appointment entered into between the Company and each of the Directors are set out below:
- 9.1.1 Pursuant to a letter of appointment with the Company dated 4 July 2018, Christopher Satterthwaite has been appointed as a non-executive chairman of the Company. The appointment commenced on 1 September 2018 (and is subject to re-election at the Company's AGMs at intervals of not more than three years) but is terminable earlier by either side giving three months' notice at any time. The fee payable to Mr Satterthwaite is £80,000 per annum with an anticipated time commitment of four days per month.
 - 9.1.2 Pursuant to a service agreement with the Company Joanna Arnold is employed by the Company as chief executive officer. Ms Arnold's current salary under her service arrangements is £270,000 per annum.

Ms Arnold's employment commencement date for the purposes of her continuous employment is 16 July 2014. In addition to the usual conduct-related termination rights, the service agreement entitles Ms Arnold or the Company to terminate her employment on 9 months' notice.

Ms Arnold's service agreement contains confidentiality undertakings and prohibitions (which apply for a period of 6 months following termination of employment) on competing, soliciting and dealing with customers, poaching employees and interfering with relationships with suppliers.
 - 9.1.3 Pursuant to a service agreement with the Company dated 14 June 2021, Mark Fautley is employed by the Company as chief financial officer. Mr Fautley's current salary under his service arrangements is £200,000 per annum.

Mr Fautley's employment commencement date for the purposes of his continuous employment is 1 August 2014. In addition to the usual conduct-related termination rights, the service agreement entitles Mr. Fautley or the Company to terminate his employment on six months' notice.

Mr Fautley 's service agreement contains confidentiality undertakings and prohibitions (which apply for a period of 6 months following termination of employment) on competing, soliciting and dealing with customers, poaching employees and interfering with relationships with suppliers.
 - 9.1.4 Pursuant to a letter of appointment with the Company dated 2 September 2015, Christopher Pilling has been appointed as a non-executive director of the Company. The appointment is for an initial term of three years commencing on 24 August 2015 (with

directors expected to serve two three year terms) but is terminable earlier by either side giving three months' notice at any time. The appointment is subject to re-election at the Company's AGM's at intervals of not more than three years. The fee payable to Mr Pilling is £30,000 per annum with an anticipated time commitment of two days per month.

9.1.5 Pursuant to a letter of appointment with the Company dated 29 March 2021 Sarah Vawda has been appointed as a non-executive director of the Company. The appointment is for an initial term of three years commencing on 30 March 2021 (with directors expected to serve two three year terms) but is terminable earlier by either side giving three months' notice at any time. The appointment is subject to re-election at the Company's AGM's at intervals of not more than three years. The fee payable to Ms Vawda is £40,000 per annum plus an additional £7,500 in respect of chairing the audit committee with an anticipated time commitment of 15 days per annum.

9.1.6 Pursuant to a letter of appointment with the Company dated 14 June 2021 Katie Puris has been appointed as a non-executive director of the Company. The appointment is for an initial term of three years commencing on 14 June 2021 (with directors expected to serve two three year terms) but is terminable earlier by either side giving three months' notice at any time. The appointment is subject to re-election at the Company's AGM's at intervals of not more than three years. The fee payable to Ms Puris is £40,000 per annum. In addition Ms Puris shall be eligible to participate in the Company's share option arrangements with an award value equivalent to 75 per cent. of her fee pursuant to this letter.

9.2 The aggregate remuneration paid or payable by any company in the Group (including benefits in kind) to the Directors during the year ended 30 November 2020 was £574,655. The aggregate estimated remuneration paid or payable to the Directors by any company in the Group for the current financial year under the arrangements in force is expected to amount to approximately £1.1 million. (including payments paid to former directors).

9.3 Save as disclosed above, there are no existing or proposed service contracts between any Director and the Company or any other company in the Group and there are no existing or proposed service contracts between any Director and the Company or any company in the Group which provide for benefits upon termination of employment.

10. EMPLOYEES

10.1 The Company currently has 203 employees as at the date of this document.

10.2 Following Re-Admission, the Enlarged Group is expected to have 1,050 employees.

11. MATERIAL CONTRACTS

The following contracts, not being contracts entered into in the ordinary course of business, have been: (i) entered into by a member of the Enlarged Group within the two years immediately preceding the date of this document and are, or may be, material; or (ii) entered into by a member of the Enlarged Group and contain any provision under which any member of the Enlarged Group has any obligation or entitlement which is (or may be) material to the Enlarged Group as at the date of this document.

The Company

11.1 *Scheme Implementation Deed*

The Company and Isentia entered into the Scheme Implementation Deed on or around the date of this document which, among other things, contains:

- the amount of cash to be paid for the Isentia Shares (other than Isentia Shares held by an Excluded Isentia Shareholder, further details of consideration are set out in section 8 above);
- obligations on the Company and Isentia to use reasonable endeavours to procure that the respective directors recommend the Acquisition;
- the Conditions to the Scheme (as summarised in paragraph 8 or Part 1 of this document with further details to be set out in the Scheme Booklet);

- certain deal protection mechanisms, including break fee arrangements (see below) and exclusivity arrangements (including notification and matching rights in response to rival bids, should any emerge, for Isentia);
- restrictions on the conduct of Isentia's operation prior to Implementation of the Acquisition or termination of such agreement; and
- various provisions in relation to the liability the Company, Isentia, and their respective officers.

Under the Scheme Implementation Deed, Isentia has agreed with the Company a reimbursement fee of an amount equal to AUD\$500,000, approximately 1.4 per cent. of the equity deal value if, in summary:

- a majority of the Isentia board withdraws, adversely qualifies or adversely qualifies their recommendation that Isentia Shareholders (other than Excluded Isentia Shareholders) vote in favour of the Scheme, unless the independent expert does not conclude that the Scheme is in the best interests of Isentia Shareholders (other than Excluded Isentia Shareholders) or Isentia is entitled to terminate the Scheme Implementation Deed due to a material breach by the Company (other than a breach of a Company warranty) and has given the appropriate termination notice to the Company;
- a competing proposal is announced prior to the Isentia Shareholder Meeting and, within 12 months, a superior proposal completes or a relevant interest (as defined in the Corporations Act) in more than 50 per cent. of Isentia Shares is acquired; or
- the Company terminates the Scheme Implementation Deed:
- for material breach by Isentia (other than a breach of an Isentia warranty, which is dealt with below); or
- majority of Isentia board changes recommendation or supports a competing proposal, Isentia materially breaches an Isentia warranty not cured in defect period which is material in the context of the Scheme taken as a whole, or an Isentia regulated event or prescribed occurrence occurs (except if the independent expert does not conclude transaction is in the best interests of shareholders), and the Acquisition does not complete.

The Company has also agreed with Isentia a reverse reimbursement fee of an amount equal to AUD\$500,000, approximately 1.4 per cent. of the equity deal value if, in summary:

- a majority of the Company board withdraws, adversely qualifies or adversely qualifies their recommendation that the Company's Shareholders vote in favour of the Acquisition, unless the Company is entitled to terminate the Scheme Implementation Deed due to a material breach by Isentia (other than a breach of an Isentia warranty) and has given the appropriate termination notice to Isentia; or
- Shareholder approval of the resolutions in relation to the Acquisition and the Fundraising are not obtained at the General Meeting; or
- Isentia terminates the Scheme Implementation Deed:
- for material breach by the Company (other than a breach of a Company warranty, which is dealt with below);
- the Company materially breaches a Company warranty not cured in the defect period which is material in the context of the Scheme taken as a whole, or an Isentia regulated event or prescribed occurrence occurs, and the Acquisition does not complete.

The Scheme Implementation Deed will be publicly available on the ASX and on the Company's website.

11.2 **Placing Agreement in respect of the Placing**

The Company, the Directors and finnCap have entered into a placing agreement dated 14 June 2021, pursuant to which finnCap has agreed to use its reasonable endeavours to procure placees for 39,847,658 Placing Shares (as agent for the Company) at the Placing Price. The obligations of finnCap relating to Fundraising Admission under the Placing Agreement are conditional, *inter alia*, upon, the passing of the Resolutions without amendment, the Scheme of Arrangement becoming unconditional

as at 8.00a.m. on the date of the Second Court Hearing and Fundraising Admission taking place on or before 23 August 2021 or such later date as the Company and finnCap may agree but in any event not later than 15 December 2021. The obligations of finnCap relating to Re-Admission under the Placing Agreement are conditional, *inter alia*, upon, Implementation of the Scheme, and Re-Admission taking place on or before 2 September 2021 or such later date as the Company and finnCap may agree but in any event not later than 15 December 2021. The Placing has not been underwritten by finnCap.

Pursuant to the Placing Agreement, the Company has agreed to pay to finnCap a corporate finance fee and a commission on the gross funds raised pursuant to the Fundraising. The Placing Agreement provides for the Company to pay all expenses of and incidental to the Placing and the application for Re-Admission, including the reasonably and properly incurred fees and costs of other professional advisers, the fees of the Registrars and the fees payable to the London Stock Exchange. The Placing Agreement contains warranties given by the Company and the Directors and indemnities given by the Company in favour of finnCap.

finnCap may terminate the Placing Agreement in specified circumstances prior to Fundraising Admission, including in the event of a breach of the Placing Agreement or any of the warranties contained in it, if there has been or is reasonably likely to be a material adverse change in the Company or where any change of national or international, financial, monetary, economic, political or market conditions would in the opinion of finnCap be likely to be materially prejudicial to the Placing.

11.3 **Nominated Adviser and Broker Agreement**

The Company and finnCap entered into a nominated adviser and broker agreement dated 30 June 2019, on customary terms, pursuant to which the Company appointed finnCap to act as its nominated adviser and broker for the purposes of the AIM Rules for Companies. The Company agreed to pay to finnCap an annual fee for its services as nominated adviser and broker together with all reasonable costs and expenses which finnCap may properly incur in connection with its appointment. The agreement contains certain indemnities given by the Company to finnCap.

11.4 **PrimaryBid Engagement**

Pursuant to a letter of engagement dated 14 June 2021 (the “**PrimaryBid Engagement Letter**”), the Company appointed PrimaryBid to be the arranger of the Retail Offer. The PrimaryBid Engagement Letter contains certain customary confirmations by PrimaryBid in favour of the Company relating to the conduct of the Retail Offer and certain customary acknowledgements and warranties by the Company in favour of PrimaryBid relating to the Retail Offer Shares. Pursuant to the PrimaryBid Engagement Letter, PrimaryBid shall only make the Retail Offer available to retail clients, who are professionally-advised private investors or those who are financially sophisticated non-advised private investors who are capable of evaluating the risks and merits of such an investment and who have sufficient resources to bear any loss which may result from such an investment, and are resident and located in the United Kingdom. Conditional on Retail Offer Admission, the Company has agreed to pay PrimaryBid a commission based on the aggregate value of the Retail Offer Shares subscribed at the Placing Price pursuant to the Retail Offer (plus any applicable VAT).

11.5 **Share Purchase Agreement**

On 2 October 2019 the Company entered into a share purchase agreement with Cello Health plc and Cello Health Inc for the acquisition of the entire issued share capital of Fenix Media Limited and Face US Inc. The consideration for the acquisition was payable by the allotment and issue of 8,653,846 Ordinary Shares. A cash payment of £1,600,000 was due to the Company from the vendors in respect of net working capital after the agreement of an appropriate completion balance sheet, received in February 2020. As a result of a post-completion review of pre-acquisition accounting within the acquired entities, an agreement was reached with the vendors on 5 February 2020 that 4,076,238 of the consideration shares would be sold back to the Group for £1, subject to approval by Shareholders. The share purchase agreement includes customary warranties in favour of the Company.

11.6 **Subscription Letter**

On 14 June 2021 the Company entered into a subscription agreement with Bombora Investment Management pursuant to which Bombora Investment Management agreed to subscribe for the

Subscription Shares at the Placing Price. Bombora Investment Management's obligations under the Subscription Letter are conditional, *inter alia*, upon, the passing of the Resolutions without amendment, the Placing becoming unconditional and Fundraising Admission taking place on or before 23 August 2021.

11.7 **Placing Agreement dated 9 December 2020**

The Company and finnCap entered into a placing agreement dated 9 December 2020, pursuant to which finnCap agreed to use its reasonable endeavours to procure placees for up to 12,500,000 Placing Shares (as agent for the Company) at 80p per Ordinary Share. In addition, finnCap agreed to use its reasonable endeavours to procure placees for up to an aggregate of 4,576,239 existing Ordinary Shares held by Cello Holdings Ltd ("Cello") and Michael Jackson, a non-executive director of the Company, (together "the Sellers") to raise gross proceeds receivable by the Sellers of, in aggregate, approximately £3.7 million.

The Company agreed to pay to finnCap a corporate finance fee and a commission on the gross funds raised pursuant to the fundraising. The agreement contains warranties and indemnities given by the Company in favour of finnCap.

11.8 **CBILs Loan**

The Company secured a £2 million, three year facility under the Coronavirus Business Interruption Loan Scheme pursuant to a loan agreement dated 9 December 2020 with Silicon Valley Bank. The facility was drawn down during December 2020, has a 12-month interest-free period following drawdown and an interest rate of 2.03 per cent. plus LIBOR or replacement benchmark rate per annum on the drawn down amount thereafter. The funds are repayable in equal monthly instalments over 36 months and there will be no penalty for making early repayment of the facility. The loan is secured by a fixed and floating charge over the property of the Group companies.

11.9 **Hedging Option**

On 14 June 2021 the Company entered into a spot exchange option through Silicon Valley Bank to protect against fluctuations in foreign currency exchange rates in respect of the risk of the proceeds of the Placing being payable in sterling but the consideration due under the Acquisition being payable in AUD\$. The agreement provides the Company with a foreign exchange option to sell GBP and buy AUD\$ 68 million.

11.10 **Share purchase agreement with Spheria**

On 15 June 2021 Vuelio Australia Pty Ltd ("Vuelio") entered into a share purchase agreement with Spheria Asset Management Pty Ltd ("Spheria") to acquire Spheria's stake of 39,708,447 ordinary shares in the issued share capital of Isentia Group Limited for approximately AUD\$ 6,948,978.22. As Spheria is an investment fund manager, under the share purchase agreement it must use reasonable endeavours to procure that the registered holders transfer the relevant shares to Vuelio. The share purchase agreement includes customary warranties given by both parties and an indemnity in favour of Spheria in relation to certain matters. If the Scheme does not complete (i.e. implement in accordance with its terms), Vuelio (as well as the Vuelio's related bodies corporate including the Company) will be a major shareholder in Isentia Group Limited.

Isentia Group

11.10 Isentia and the Company entered into the Scheme Implementation Deed on or around the date of this document, details of which are set out in paragraph 11.1 of this Part VI.

11.11 Members of the Isentia Group entered into a facility agreement (the “CBA Facility Agreement”) on 13 October 2020, amended and restated on 13 November 2020. Parties to the CBA Facility Agreement are Isentia Finance Pty Limited and Isentia Pty Ltd as original borrowers (Borrowers); Isentia and certain other Isentia Group members as guarantors (Guarantors); and Commonwealth Bank of Australia as lender (Lender). The CBA Facility Agreement provides for the following facilities:

<i>Facility</i>	<i>Facility type</i>	<i>Total commitments</i>
A	Amortising term loan facility	AUS\$33.5 million
B	Revolving loan facility	AUS\$12 million
C	Revolving multi-option working capital facility, bank guarantee or letter of credit facility and ancillary facility (for credit cards and cash management products)	AUS\$1 million

The facilities are to be repaid in full on the applicable maturity date for the relevant facility:

- For Facilities A and B, the maturity date falls three years after financial close.
- For Facility C, the Maturity Date falls one year after financial close.

Facility A is repayable in quarterly instalments of AUS\$750,000 (with the first repayment date commencing 30 June 2021). Facility B and C are revolving facilities and repayable at the end of each interest period. The facilities may be voluntarily prepaid on at least 2 business days’ notice to the Lender (or a shorter period if agreed by the Lender). Partial prepayments must be in multiples of AUS\$250,000. Amounts prepaid under Facility B or Facility C may be redrawn, unless cancelled. Interest on the principal amounts outstanding under the CBA Facility Agreement accrues at the end of each interest period or half-yearly, depending on the selected interest period, at the rate being the aggregate of a margin ranging from 1.50-2.00 per cent. per annum, depending on the gross leverage ratio, and a base rate determined by reference to the BBSY screen rate. Interest periods may be one, two, three, four, five or six months or other periods agreed with the Lender. The CBA Facility Agreement is secured by way of security granted by the Borrowers and Guarantors, under a general security deed.

12. SHARE OPTION SCHEME, LONG-TERM VALUE CREATION PLAN AND WARRANTS

12.1 The rules of the existing Share Option Scheme (the “**Rules**”) provide for the grant of both EMI Options and NTA Options. EMI Options are intended to satisfy the requirements for tax advantages under Schedule 5 to ITEPA and NTA Options are not.

Options granted under the Share Option Scheme may not be exercised, in normal circumstances, until the third anniversary of grant.

The following is a summary of the rules of the existing Share Option Scheme:

12.1.1 Eligibility

All employees of the Group are eligible to participate in the Share Option Scheme at the discretion of the Board. Only “Eligible Employees” (as defined in the Rules) may be granted an EMI Option.

12.1.2 Grant of Options

Options over such number of Ordinary Shares as determined by the Board may be granted at any time. The grant of an Option shall be by an agreement in the form approved by the Board, executed by the Company and the relevant participant as a deed. No consideration is payable for the grant of an Option. Options granted under the Share Option Scheme are personal to a participant and, except on their death, may not be transferred, assigned or charged. When granting Options the Board may specify objective conditions to be met before those Options can be exercised. Options have been granted to date with performance conditions that relate to an increase in the Company’s share price.

12.1.3 *Exercise price*

The price at which participants in the Share Option Scheme may acquire Ordinary Shares shall be determined by the Board, being not less than the greater of: (i) the nominal value of an Ordinary Share; or (ii) the amount equal to the middle market quotation for an Ordinary Share (as derived from the London Stock Exchange Daily Official List when Ordinary Shares are so admitted for trading on AIM) or the closing price for an Ordinary Share on the dealing day prior to the date on which an Option is granted to a participant.

12.1.4 *Limits on the grant of Options*

The number of Ordinary Shares in respect of which Options may be granted under the Share Option Scheme on any given date shall not exceed 10 per cent. of the number of Ordinary Shares in issue immediately prior to such date when added to: (i) the aggregate number of Ordinary Shares under outstanding options; (ii) the number of Ordinary Shares which have been issued on the exercise of Options; and (iii) the number of Ordinary Shares which have been or may be issued on the exercise of options granted during the period of 10 years ending on that date under any other option scheme for employees of the Group which is approved by the Company.

Where, on the relevant date of grant of an EMI Option, the aggregate of: (a) the value of Ordinary Shares comprised in an EMI Option; (b) the value of any shares comprised in any unexercised options granted under Schedule 5 to ITEPA to a participant by reason of their employment with a member of the Group; and (c) the value of any shares the participant may acquire in pursuance of options granted to that participant (and not exercised) under any Schedule 4 to ITEPA "company share option" granted by reason of their employment with any member of the Group, is £249,999 or less then to such extent such EMI Option shall be treated as granted pursuant to Schedule 5. Any excess shall be treated as an NTA Option.

The total value of Ordinary Shares under EMI Options granted under the Share Option Scheme (which have not lapsed or been exercised), must not exceed £3 million.

12.1.5 *Exercise and lapse of Options*

Options may normally be exercised in whole or in part (over multiples of 5,000 Ordinary Shares) following the first exercise date specified on grant of an Option and before the tenth anniversary of grant, provided any performance conditions specified at the date of grant (as varied in accordance with the Rules) have been achieved (or waived at the discretion of the Board in accordance with the Rules). Options may be satisfied by the issue of Ordinary Shares or the transfer of existing Ordinary Shares. Options will normally lapse on cessation of employment of a participant. However, exercise is permitted for a limited period following cessation of employment for specified reasons such as retirement, ill-health, disability or the transfer of an employer or business out of the Group. Options are generally exercisable within 12 months of the participant's death. In other circumstances the Board may allow a participant to exercise their Option during a period not exceeding 90 days from the date of cessation of employment on such terms as the Board may determine.

12.1.6 *Variation of capital*

The number of Ordinary Shares under an Option and/or the exercise price may be adjusted in the event of any variation in, or reorganisation of, the share capital of the Company whether by way of capitalisation, rights issue or reduction, sub-division or consolidation of shares.

12.1.7 *Take-over and liquidation*

In the event of a takeover or liquidation of the Company, Options may be exercised within certain time limits. There are also provisions for the exchange of Options in specified circumstances.

12.1.8 *Rights attaching to Ordinary Shares*

All Ordinary Shares allotted pursuant to the exercise of any Option will rank *pari passu* with all other Ordinary Shares for the time being in issue, save as regards any rights arising by reference to a record date prior to the date of allotment. Application will be made for permission for any such Ordinary Shares to be admitted to trading on AIM.

12.1.9 *Availability of Ordinary Shares*

The Company will at all times keep sufficient authorised but unissued Ordinary Shares or have under its control sufficient issued Ordinary Shares (including any treasury shares) and/or ensure that arrangements are in place for any third party transfer of Ordinary Shares to permit the exercise of all unexercised Options.

12.1.10 *Income tax and national insurance*

Each participant is required to indemnify the Company for any income tax liability and primary Class 1 (employee) national insurance liability which arises on the grant or exercise of an Option. The Board can require participants to cover any secondary Class 1 (employer) national insurance contributions which will arise for the Company on gains made on the exercise of Options.

12.1.11 *Restriction on disposal of Ordinary Shares within the first 12 months*

As a condition of exercising an Option, the participant must irrevocably undertake to the Company that the participant will not, during the period of 12 months commencing with the date on which Ordinary Shares are allotted or transferred to the participant, dispose of those Ordinary Shares without the prior written consent of the Board.

12.1.12 *General*

The Share Option Scheme is administered by the Board which may make such rules not being inconsistent with the Rules for the conduct of the Share Option Scheme as the Board thinks fit.

The Board may alter the Share Option Scheme in any respect except that no alteration may be made which would alter to the disadvantage of a participant any rights already accrued to them except with the participant's prior written consent.

12.2 **The Long-Term Value Creation Plan**

Set out below is a summary of the main terms of the proposed Long-Term Value Creation Plan ("**LTVCP**"). The LTVCP has been designed to incentivise management to deliver exceptional returns for shareholders over a four year period. Under the LTVCP, participants will receive (in the form of Ordinary Shares) a proportion of the shareholder value created (defined as the growth in market capitalisation plus net equity cashflows to shareholders, i.e. dividends plus share buybacks, less share issues) above a hurdle rate of return.

12.2.1 *Eligibility*

All employees (including executive directors) of the Group are eligible to participate in the LTVCP at the discretion of the Board. In practice, it is expected that participation in the LTVCP will be limited to the Company's senior management who are most able to influence shareholder value creation.

12.2.2 *Participation rights*

Under the LTVCP, the Board may grant an eligible employee a right ("**Participation Right**") to receive a proportion of the Company value created above a hurdle ("**Hurdle Rate**"). The Hurdle Rate will be 12.5 per cent. compound annual growth rate for the initial LTVCP participants. Where value is created above the Hurdle Rate, a plan pool ("**LTVCP Pool**") shall be funded by 10 per cent. of that additional value. The proportion of the LTVCP Pool to which the participant is entitled ("**Participation Percentage**") will also be set at the time the Participation Right is granted.

No Participation Rights may be granted after the fourth anniversary of the date the LTVCP is adopted by the Company.

At the time a Participation Right is granted, the Board will set the periods by reference to which the value of the Participation Right will be measured. For the initial participants, this will be in the second, third and fourth years following the date of grant (each a “**Performance Period**”). At the end of each Performance Period, the Participation Right will convert into an award over Ordinary Shares (“**Award**”) with a value on conversion calculated by reference to the Company’s share price at the relevant time. The Board has discretion to vary the outcome applying to a Participation Right where it considers that the level at which it would convert into an Award: does not reflect the Board’s assessment of overall performance during the Performance Period; is not appropriate in the context of circumstances that were unexpected or unforeseen at the grant date; or any other appropriate reason.

12.2.3 *Form of Awards*

The Board may deliver Awards either as options over Ordinary Shares with an exercise price equal to the nominal value of an Ordinary Share or as immediate awards of Ordinary Shares. No Awards may be granted after the fourth anniversary of the date the LTVCP is adopted by the Company.

A post-vesting holding period of one year following the end of each Performance Period will apply to any Award that is granted (“**Holding Period**”).

12.2.4 *Dilution limit*

The total number of Ordinary Shares over which Awards may be granted following the expiry of any single Performance Period shall not exceed 7 per cent. of the Company’s issued share capital at the relevant time.

Awards which have lapsed will not count towards the above limit.

12.2.5 *Malus and clawback*

The Board may, in its absolute discretion, apply malus and/or clawback provisions at any time prior to the expiry of the Holding Period in respect of each Award, if the Board determines there have been exceptional circumstances, which may include (i) a material misstatement in the published results of the Group or a member of the Group; (ii) the assessment of any applicable performance condition or the calculation of the number of Ordinary Shares subject to an Award being based on an error or inaccurate or misleading information; and (iii) employee gross misconduct.

12.2.6 *Cessation of employment*

Except in certain circumstances set out below, if a participant ceases to hold office or employment with any member of the Group, they will lose their entitlement to any Participation Right. However, if a participant ceases to hold office or employment because of their death, injury, ill health, the sale of the participant’s employing company or business out of the Group or in other circumstances at the discretion of the Board (“**Good Leaver Reason**”), the Board may allow the Participation Right to continue until the end of the Performance Period following their cessation of office or employment, with the number of Ordinary Shares subject to an Award pro-rated to reflect the period of time between the grant of the Participation Right and the date of cessation of employment or office.

If a participant ceases to hold office or employment having been granted an Award subject to a post-vesting holding period, that Award will continue to be subject to their holding period, unless the Board considers that exceptional circumstances justify a release.

12.2.7 *Corporate events*

In the event of a change of control of the Company the Board will determine the value of any outstanding Participation Right using the value of the consideration per Ordinary Share in connection with the change of control and such Participation Right will convert into an

Award prior to but conditional on the change of control. Any Award subject to a post-vesting holding period will be released from that holding period.

The Board shall have discretion to allow outstanding Participation Rights to be exchanged for equivalent awards agreed with the acquiring company.

If other corporate events occur such as a demerger, special dividend or other event determined by the Board, the Board may determine that outstanding Participation Rights will convert on such basis as it may determine, using the date of such event as the expiry of the relevant Performance Period, and Awards will vest and be released from their holding periods on the same basis as for a change of control.

12.2.8 *Non-transferability*

Participation Rights and Awards are not transferable other than to the participant's personal representatives in the event of the participant's death. A Participation Right and/or an Award will lapse on a participant's bankruptcy, unless the Board determines otherwise.

12.2.9 *Variation of capital*

If there is a variation of share capital of the Company or in the event of a demerger, special dividend or other event determined by the Board, the Board may make such adjustments as it may determine to the Hurdle Rate, the Participation Percentage or the class of share that may be acquired pursuant to an Award, and the number or class of shares subject to outstanding Awards.

12.2.10 *Rights attaching to Shares*

Any Ordinary Shares allotted or transferred in connection with the LTVCP will rank equally with Ordinary Shares then in issue (except for rights arising by reference to a record date prior to their issue or transfer).

12.2.11 *Amendments to the LTVCP*

The Board may, at any time, amend the rules of the LTVCP in any respect.

12.2.12 *Benefits not pensionable*

The benefits received under the LTVCP are not pensionable.

12.3 **Warrants**

In addition to the Options referred to in this document, the Company granted warrants over 1,165,000 Ordinary Shares to Elderstreet Investments (now part of Draper Esprit) and over 264,838 Ordinary Shares to certain individuals on 23 October 2008. The warrants have an exercise price of 27.5 p per Ordinary Share and have no expiry date.

13. **LITIGATION**

Save as set out below, there are no governmental, legal or arbitration proceedings active, pending or threatened against, or being brought by, any member of the Enlarged Group which are having, or may have or have had during the 12 months preceding the date of this document a significant effect on any member of the Enlarged Group's financial position or profitability.

Pending Copyright Tribunal Decision regarding CAL Licence

Copyright Agency Limited ("CAL") is one of the primary collecting societies for copyright works in Australia, and acts as an agent for copyright holders through its arrangement with CopyCo Pty Ltd ("CopyCo") to license certain copyright works to parties for authorised use. The licence agreement with CAL is the key copyright licence held by the Isentia Group in Australia. The CAL licence agreement is the subject of ongoing proceedings in Australia's Copyright Tribunal.

The Copyright Tribunal proceedings were instituted by Isentia Pty Ltd in 2018 requesting that the Tribunal make orders to provide for the grant of a licence from CAL to Isentia Pty Ltd on the terms and conditions of the Press Monitoring and Online Monitoring Licence which had been entered into by the parties on 8

April 2016 (and which ceased operating on 30 June 2018), modified to reflect a different licence fee arrangement. (and any consequential changes to non-price terms).

As part of the proceedings, on 23 April 2018, the Copyright Tribunal ordered a confidential interim licence be put in place between the parties.

The hearing for the Copyright Tribunal Proceedings occurred over three weeks in February and March 2021. A judgment is not expected until later 2021 or early 2022.

The interim CAL licences are effective from 1 December 2018 and will remain in place until the earlier of:

- the final determination by the Tribunal which will include a determination of the terms of the licence and the licence fees ("Final Determination") or any agreement on the subject matter by the parties; or
- the termination of the agency agreement between CopyCo and CAL.

Accordingly, Isentia Pty Ltd's agreement with CAL for access to key publication mastheads in Australia is currently only an interim licence awarded by the Australian Copyright Tribunal. Furthermore, Isentia Pty Ltd does not have certainty of what the terms of these key licences will be in the future given this licence is still before the Copyright Tribunal. The Tribunal could either uphold the interim licence or make changes to the terms of the licence, including the fees payable.

If the Copyright Tribunal determines in its Final Determination that the licence fee payable by Isentia Pty Ltd should be:

- greater than the interim fees already paid by Isentia Pty Ltd under the Interim CAL Licences, then Isentia Pty Ltd must pay to CAL within 28 days the difference between the interim fee paid and the licence fee under the Final Determination as if the licence fee in the Final Determination applied during the interim period; or
- less than the interim fees already paid by Isentia Pty Ltd under the Interim CAL Licences, then CAL may elect to either pay to Isentia Pty Ltd the difference between the interim fee paid and the licence fee under the Final Determination as if the licence fee in the Final Determination applied during the interim period or credit such amount towards Isentia Pty Ltd's future payments to CAL.

Isentia and CAL will each be able to approach the Copyright Tribunal to make submissions on the treatment of such historical over or under payment. However, there is a risk that, following the Copyright Tribunal's Final Decision, Isentia Pty Ltd may be required to pay to CAL additional licence fees back dated through the entire period of the Interim CAL Licences. This amount could be significant. Accordingly, if the Copyright Tribunal Proceedings are not resolved on terms favourable to Isentia, there is a risk that the cost base of the Isentia Group could be re-set at a higher level. There is also a risk that the Isentia Group will be required to make-up deferred payments should the underlying dispute not be resolved in the Isentia Group's favour.

14. TAXATION

The following information is based on UK tax law and HMRC practice currently in force in the UK. Such law and practice (including, without limitation, rates of tax) is in principle subject to change at any time. The information that follows is for guidance purposes only. Any person who is in any doubt about his or her position should contact their professional advisor immediately.

14.1 Tax treatment of UK investors

The following information, which relates only to UK taxation, is applicable to persons who are resident in the UK and who beneficially own Ordinary Shares as investments and not as securities to be realised in the course of a trade. It is based on the law and practice currently in force in the UK. The information is not exhaustive and does not apply to potential investors:

- (i) who intend to acquire, or may acquire (either on their own or together with persons with whom they are connected or associated for tax purposes), more than 10 per cent., of any of the classes of shares in the Company; or
- (ii) who intend to acquire Ordinary Shares as part of tax avoidance arrangements; or
- (iii) who are in any doubt as to their taxation position.

Such shareholders should consult their professional advisers without delay. Shareholders should note that tax law and interpretation can change and that, in particular, the levels, basis of and reliefs from taxation may change. Such changes may alter the benefits of investment in the Company.

Shareholders who are neither resident nor temporarily non-resident in the UK and who do not carry on a trade, profession or vocation through a branch, agency or permanent establishment in the UK with which the Ordinary Shares are connected, will not normally be liable to UK taxation on dividends paid by the Company or on capital gains arising on the sale or other disposal of Ordinary Shares. Such shareholders should consult their own tax advisers concerning their tax liabilities.

14.2 **Dividends**

Where the Company pays dividends, shareholders who are resident in the UK for tax purposes will, depending on their circumstances, be liable to UK income tax or corporation tax on those dividends.

UK resident individual shareholders who hold their Ordinary Shares as investments, will be subject to UK income tax on the amount of dividends received from the Company.

Dividend receipts in excess of £2,000 are taxed at 7.5 per cent. for basic rate taxpayers, 32.5 per cent. higher rate taxpayers and 38.1 per cent. for additional rate taxpayers.

Shareholders who are subject to UK corporation tax should generally, and subject to certain anti-avoidance provisions, be able to claim exemption from UK corporation tax in respect of any dividend received but will not be entitled to claim relief in respect of any underlying tax or withholding tax imposed.

14.3 **Disposals of Ordinary Shares**

Any gain arising on the sale, redemption or other disposal of Ordinary Shares will be taxed at the time of such sale, redemption or disposal as a capital gain.

The rate of capital gains tax on disposal of Ordinary Shares by basic rate taxpayers is 10 per cent. and for upper rate and additional rate taxpayers, the rate is 20 per cent.

For Shareholders within the charge to UK corporation tax who acquired shares before 31 December 2017, indexation allowance up to that date may reduce any chargeable gain arising on disposal of Ordinary Shares but will not create or increase an allowable loss.

Subject to certain exemptions, the corporation tax rate applicable to a Shareholder's UK taxable profits is currently 19 per cent. The main corporation tax rate will rise to 25 per cent. with effect from 1 April 2023.

14.4 **Further information for Shareholders subject to UK income tax and capital gains tax – Transactions in securities**

The attention of Shareholders (whether corporates or individuals) within the scope of UK taxation is drawn to the provisions set out in, respectively, Part 15 of the Corporation Tax Act 2010 and Chapter 1 of Part 13 of the Income Tax Act 2007, which (in each case) give powers to HMRC to raise tax assessments so as to cancel "tax advantages" derived from certain prescribed "transactions in securities".

14.5 **Stamp Duty and Stamp Duty Reserve Tax**

The statements below are intended as a general guide to the current position. They do not apply to certain intermediaries who are not liable to stamp duty or SDRT or (except where stated otherwise) to persons connected with depositary arrangements or clearance services who may be liable at a higher rate.

No stamp duty or SDRT will generally be payable on the issue of Ordinary Shares.

Neither UK stamp duty nor SDRT should arise on transfers of Ordinary Shares on AIM (including instruments transferring Ordinary Shares and agreements to transfer Ordinary Shares) based on the following assumptions:

- (a) the Ordinary Shares are admitted to trading on AIM, but are not listed on any market (with the term “listed” being construed in accordance with section 99A of the Finance Act 1986), and this has been certified to Euroclear; and
- (b) AIM continues to be accepted as a “recognised growth market” as construed in accordance with section 99A of the Finance Act 1986).

In the event that either of the above assumptions does not apply, stamp duty or SDRT may apply to transfers of Ordinary Shares in certain circumstances.

Any transfer of sale shares for consideration prior to admission to trading on AIM is likely to be subject to stamp duty or SDLT.

The above comments are intended as a guide to the general stamp duty and SDRT position and may not relate to persons such as charities, market makers, brokers, dealers, intermediaries and persons connected with depositary arrangements or clearance services to whom special rules apply.

15. RELATED PARTY TRANSACTIONS

Save as set out in paragraphs 12 of Part I and note 35 of Part IV of this document, there are no related party transactions that the Group has entered into during this period covered by the historic financial information set out in Part III up to the date of this document.

16. WORKING CAPITAL

The Directors are of the opinion, having made due and careful enquiry and after taking into account the net proceeds of the Fundraising, that the working capital available to the Company will be sufficient for the Enlarged Group’s present requirements, that is for at least 12 months from the date of Re-Admission.

17. CREST

- 17.1 CREST is a paperless settlement system enabling securities to be evidenced otherwise than by a certificate and transferred otherwise than by written instrument in accordance with the CREST Regulations.
- 17.2 The Ordinary Shares are eligible for CREST settlement. Accordingly, following Re-Admission, settlement of transactions in the Ordinary Shares may take place within the CREST system if a Shareholder so wishes. CREST is a voluntary system and Shareholders who wish to receive and retain share certificates are able to do so.
- 17.3 For more information concerning CREST, Shareholders should contact their brokers or Euroclear UK & Ireland Limited at 33 Cannon Street, London EC4M 5SB or by telephone on +44 (0) 20 7849 0000.

18. NOTIFICATIONS OF SHAREHOLDINGS

The provisions of Chapter 5 of the Disclosure Guidance and Transparency Rules (“**DTR 5**”) will apply to the Company and its Shareholders on Re-Admission. DTR 5 sets out the notification requirements for Shareholders and the Company where the voting rights of a Shareholder exceed reach or fall below the threshold of 3 per cent. and each 1 per cent. thereafter up to 100 per cent. DTR 5 provides that disclosure by a Shareholder to the Company must be made within two trading days of the event giving rise to the notification requirement and the Company must release details to a regulatory information service as soon as possible following receipt of a notification.

19. GENERAL

- 19.1 Save for matters disclosed in Part I of this document, there has been no significant change in the financial position or financial performance of the Group since 30 November 2020, being the end of the last financial period included in the most recently published financial statements of the Group as referred to in Part III of this document.

- 19.2 Save for matters disclosed in Part I of this document, there has been no significant change in the financial position or financial performance of Isentia Group since 31 December 2020, being the end of the last financial period included in the most recently published historical financial information on Isentia Group as set out in Part IV of this document.
- 19.3 The financial information incorporated by reference in this document relating to the Company does not constitute statutory accounts within the meaning of section 434 of the Act. Mazars LLP have been the auditors of the Company for the three financial years ended 30 November 2020 and have given unqualified audit reports on the statutory accounts of the Company for those financial years within the meaning of section 495 of the Act. None of those reports contained any statements under sub-section 498(2) or (3) of the Act. Statutory accounts of the Company for each of the three financial years ended 30 November 2020 have been delivered to the registrar of Companies in England and Wales pursuant to section 441 of the Act.
- 19.4 BDO LLP, as reporting accountants, have given and not withdrawn their written consent to the inclusion of their report in Section A Part IV of this document and accept responsibility for their report for the purposes of the AIM Rules.
- 19.5 finnCap has given and not withdrawn its consent to the inclusion in this document of the references to its name in the form and context in which they are included.
- 19.6 The gross proceeds of the Fundraising receivable by the Company are expected to amount to approximately £50.0 million. Total costs and expenses payable by the Company in connection with the Proposals (including professional fees, commissions, the costs of printing and the fees payable to the registrars) are estimated to amount to approximately £3.476 million (excluding VAT).
- 19.7 Save as otherwise disclosed in this document, there are no patents or other intellectual property rights, licences, industrial, commercial or financial contracts or new manufacturing processes which are material to the Enlarged Group's business or profitability.
- 19.8 Save as set out in this document (and in respect of FTI Consulting, which has provided commercial due diligence services) no person (other than a professional adviser referred to in this document or trade supplier) has:
- 19.8.1 received directly or indirectly, from the Company within the 12 months preceding the Company's application for Re-Admission; or
 - 19.8.2 entered into contractual arrangements (not otherwise disclosed in this document) to receive directly or indirectly, from the Company on or after Re-Admission any of the following:
 - (a) fees totalling £10,000 or more;
 - (b) securities in the Company with a value of £10,000 or more calculated by reference to the Placing Price; or
 - (c) any other benefit with a value of £10,000 or more at the date of Re-Admission.
- 19.9 Save as disclosed in Part I of this document, since the period of the financial information incorporated by reference in Part III of this document, the Company has made no investments and there are no investments in progress which are or may be significant.
- 19.10 The Company's accounting reference date is 30 November.
- 19.11 The Company is not aware of any arrangements which may at a subsequent date result in a change of control of the Company.
- 19.12 There are no provisions in the Articles which would have the effect of delaying, deferring or preventing a change of control of the Company and there are no restrictions on the Company's objects.
- 19.13 No public takeover bids have been made by third parties in respect of the Company's issued share capital since its incorporation up to the date of this document.

- 19.14 Save as disclosed in this document, there are no mandatory takeover bids and/or squeeze out and sell-out rules in relation to the Ordinary Shares.
- 19.15 Insofar as the Directors are aware, the percentage of Ordinary Shares not in public hands (as that expression is defined in the AIM Rules) on Re-Admission is expected to be approximately 35.4 per cent.
- 19.16 The Fundraising Shares represent 31.8 per cent. of the Issued Share Capital assuming full take-up under the Retail Offer and their issue will result in a corresponding level of dilution.
- 19.17 Save as disclosed in this document, there are not, either in respect of the Company or its subsidiaries, any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Enlarged Group's prospects for at least the current financial year.
- 19.18 As far as the Directors are aware, there are no environmental issues that may affect the Company's utilisation of its tangible fixed assets.
- 19.19 Save as disclosed in this document, the Directors are unaware of any exceptional factors which have influenced the Company's recent activities.
- 19.20 Save as set out in Part I of this document, there are no principal investments in progress or principal future investments on which the Directors have made a firm commitment.
- 19.21 The Directors are not aware of any other information that they should reasonably consider as necessary for the investors to form a full understanding of (i) the assets and liabilities, financial position, profits and losses, and prospects of the Company and the Enlarged Group and the securities for which Re-Admission is being sought; (ii) the rights attached to those securities; and (iii) any other matter contained herein.
- 19.22 Where information has been sourced from a third party, the information has been accurately reproduced and as far as the Company is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.
- 19.23 It is expected that definitive share certificates will be despatched by hand or first class post by 21 September 2021. In respect of uncertificated shares, it is expected that Shareholders' CREST stock accounts will be credited on 23 August 2021.

20. AVAILABILITY OF ADMISSION DOCUMENT

A copy of this document is available free of charge from the registered office of the Company, and at the offices of finnCap at 1 Bartholomew Close, London EC1A 7BL, during normal business hours on any weekday (public holidays excepted) from the date of this document until at least one month after the date of Re-Admission.

A copy of this document is also available on the Company's website, www.AccessIntelligence.com.

Dated: 15 June 2021

PART VII

TERMS AND CONDITIONS OF THE PLACING

IMPORTANT INFORMATION FOR INVITED PLACEES ONLY REGARDING THE PLACING.

MEMBERS OF THE PUBLIC ARE NOT ELIGIBLE TO TAKE PART IN THE PLACING. THIS DOCUMENT (INCLUDING THIS PART VII) AND THE TERMS AND CONDITIONS SET OUT HEREIN (TOGETHER, THIS "**DOCUMENT**") ARE DIRECTED ONLY AT PERSONS WHOSE ORDINARY ACTIVITIES INVOLVE THEM IN ACQUIRING, HOLDING, MANAGING AND DISPOSING OF INVESTMENTS (AS PRINCIPAL OR AGENT) FOR THE PURPOSES OF THEIR BUSINESS AND WHO HAVE PROFESSIONAL EXPERIENCE IN MATTERS RELATING TO INVESTMENTS AND ARE: (1) IF IN A MEMBER STATE OF THE EUROPEAN ECONOMIC AREA ("**EEA**"), QUALIFIED INVESTORS AS DEFINED IN ARTICLE 2(E) OF THE PROSPECTUS REGULATION (EU) 2017/1129 (THE "**EU PROSPECTUS REGULATION**"); (2) IF IN THE UNITED KINGDOM, QUALIFIED INVESTORS AS DEFINED IN ARTICLE 2(E) OF PROSPECTUS REGULATION (EU) 2017/1129 AS IT FORMS PART OF UK DOMESTIC LAW BY VIRTUE OF THE EUROPEAN UNION (WITHDRAWAL) ACT 2018, AS AMENDED (THE "**UK PROSPECTUS REGULATION**"), WHO (A) FALL WITHIN ARTICLE 19(5) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005, AS AMENDED (THE "**ORDER**") (INVESTMENT PROFESSIONALS) OR ARTICLE 49(2)(A) TO (D) (HIGH NET WORTH COMPANIES, UNINCORPORATED ASSOCIATIONS, ETC.) OF THE ORDER AND (B) ARE A "PROFESSIONAL CLIENT" OR AN "ELIGIBLE COUNTERPARTY" WITHIN THE MEANING OF CHAPTER 3 OF THE FCA'S CONDUCT OF BUSINESS SOURCEBOOK (ALL SUCH PERSONS TOGETHER BEING REFERRED TO AS "**RELEVANT PERSONS**").

THIS DOCUMENT AND THE INFORMATION IN IT MUST NOT BE ACTED ON OR RELIED ON BY PERSONS WHO ARE NOT RELEVANT PERSONS. PERSONS DISTRIBUTING THIS DOCUMENT MUST SATISFY THEMSELVES THAT IT IS LAWFUL TO DO SO. ANY INVESTMENT OR INVESTMENT ACTIVITY TO WHICH THIS DOCUMENT RELATES IS AVAILABLE ONLY TO RELEVANT PERSONS AND WILL BE ENGAGED IN ONLY WITH RELEVANT PERSONS. THIS DOCUMENT DOES NOT ITSELF CONSTITUTE AN OFFER FOR SALE OR SUBSCRIPTION OF ANY SECURITIES IN ACCESS INTELLIGENCE PLC (THE "**COMPANY**").

THE PLACING SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**") OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR JURISDICTION OF THE UNITED STATES, AND MAY NOT BE OFFERED, SOLD OR TRANSFERRED, DIRECTLY OR INDIRECTLY, IN THE UNITED STATES EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN COMPLIANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. THE PLACING SHARES ARE BEING OFFERED AND SOLD ONLY OUTSIDE THE UNITED STATES IN "**OFFSHORE TRANSACTIONS**" WITHIN THE MEANING OF, AND IN ACCORDANCE WITH, REGULATIONS UNDER THE SECURITIES ACT AND OTHERWISE IN ACCORDANCE WITH APPLICABLE LAWS. NO PUBLIC OFFERING OF THE PLACING SHARES IS BEING MADE IN THE UNITED STATES OR ELSEWHERE.

THIS DOCUMENT (INCLUDING THIS PART VII) AND THE INFORMATION CONTAINED HEREIN IS RESTRICTED AND IS NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN OR INTO OR FROM THE UNITED STATES, AUSTRALIA, CANADA, JAPAN, THE REPUBLIC OF SOUTH AFRICA OR ANY OTHER JURISDICTION IN WHICH SUCH RELEASE, PUBLICATION OR DISTRIBUTION WOULD BE UNLAWFUL.

The distribution of this Document and/or the Placing and/or issue of the Placing Shares in certain jurisdictions may be restricted by law. No action has been taken by the Company, finnCap or any of their respective affiliates, agents, directors, officers or employees that would permit an offer of the Placing Shares or possession or distribution of this Document or any other offering or publicity material relating to such Placing Shares in any jurisdiction where action for that purpose is required. Persons into whose possession this Document comes are required by the Company and finnCap to inform themselves about and to observe any such restrictions.

Neither this Document nor any part of it constitutes or forms part of any offer to issue or sell, or the solicitation of an offer to acquire, purchase or subscribe for, any securities in the United States (including its territories and possessions, any state of the United States and the District of Columbia), Australia, Canada, Japan or the Republic of South Africa or any other jurisdiction in which the same would be unlawful. No public offering of the Placing Shares is being made in any such jurisdiction.

All offers of the Placing Shares will be made pursuant to an exemption under the UK Prospectus Regulation and EU Prospectus Regulation from the requirement to produce a prospectus. In the United Kingdom, this Document is being directed solely at persons in circumstances in which section 21(1) of the Financial Services and Markets Act 2000 (as amended) (the “**FSMA**”) does not apply.

The Placing Shares have not been approved or disapproved by the US Securities and Exchange Commission, any state securities commission or other regulatory authority in the United States, nor have any of the foregoing authorities passed upon or endorsed the merits of the Placing or the accuracy or adequacy of this Document. Any representation to the contrary is a criminal offence in the United States. No action has been taken to obtain clearances in respect of or otherwise facilitate the participation in the Placing by persons in any state, province or territory of Australia, Canada, Japan or the Republic of South Africa. Accordingly, the Placing Shares may not (unless an exemption under the relevant securities laws is applicable) be offered, sold, resold or delivered, directly or indirectly, in or into Australia, Canada, Japan or the Republic of South Africa or any other jurisdiction outside the United Kingdom.

Persons (including, without limitation, nominees and trustees) who have a contractual right or other legal obligations to forward a copy of this Document should seek appropriate advice before taking any action.

This Document should be read in its entirety. In particular, you should read and understand the information provided in the “**Important Notice**” section of this Document.

By participating in the Placing, each Placee will be deemed to have read and understood this Document in its entirety, to be participating, making an offer and acquiring Placing Shares on the terms and conditions contained herein and to be providing the representations, warranties, indemnities, acknowledgements and undertakings contained in this Document.

In particular, each such Placee represents, warrants, undertakes, agrees and acknowledges (amongst other things) that:

1. it is a Relevant Person and undertakes that it will acquire, hold, manage or dispose of any Placing Shares that are allocated to it for the purposes of its business; and
2. in the case of a Relevant Person in the United Kingdom who acquires any Placing Shares pursuant to the Placing:
 - (a) it is a Qualified Investor within the meaning of Article 2(e) of the UK Prospectus Regulation; and
 - (b) in the case of any Placing Shares acquired by it as a financial intermediary, as that term is used in Article 5(1) of the UK Prospectus Regulation:
 - (i) the Placing Shares acquired by it in the Placing have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in the United Kingdom other than Qualified Investors or in circumstances in which the prior written consent of finnCap has been given to the offer or resale; or
 - (ii) where Placing Shares have been acquired by it on behalf of persons in the United Kingdom other than Qualified Investors, the offer of those Placing Shares to it is not treated under the UK Prospectus Regulation as having been made to such persons; and
3. in the case of a Relevant Person in a member state of the EEA which has implemented the EU Prospectus Regulation (each, a “**Relevant Member State**”) who acquires any Placing Shares pursuant to the Placing:
 - (a) it is a Qualified Investor within the meaning of Article 2(e) of the Prospectus Regulation; and
 - (b) in the case of any Placing Shares acquired by it as a financial intermediary, as that term is used in Article 5(1) of the EU Prospectus Regulation:

- (i) the Placing Shares acquired by it in the Placing have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Relevant Member State other than Qualified Investors or in circumstances in which the prior written consent of finnCap has been given to the offer or resale; or
 - (ii) where Placing Shares have been acquired by it on behalf of persons in any Relevant Member State other than Qualified Investors, the offer of those Placing Shares to it is not treated under the EU Prospectus Regulation as having been made to such persons; and
4. it is acquiring the Placing Shares for its own account or is acquiring the Placing Shares for an account with respect to which it exercises sole investment discretion and has the authority to make and does make the representations, warranties, indemnities, acknowledgements, undertakings and agreements contained in this Document; and
5. it understands (or if acting for the account of another person, such person has confirmed that such person understands) the resale and transfer restrictions set out in this Part VII; and
6. except as otherwise permitted by the Company and subject to any available exemptions from applicable securities laws, it (and any account referred to in paragraph 3 above) is outside the United States and is acquiring the Placing Shares in offshore transactions as defined in and in accordance with Regulation S under the Securities Act.

No prospectus

The Placing Shares are being offered to a limited number of specifically invited persons only and will not be offered in such a way as to require any prospectus or other offering document to be published. No prospectus or other offering document has been or will be submitted to be approved by the FCA in relation to the Placing or the Placing Shares and Placees' commitments will be made solely on the basis of the information contained in this Document and any information publicly announced through a Regulatory Information Service (as defined in the AIM Rules for Companies (the "**AIM Rules**")) by or on behalf of the Company on or prior to the date of this Document (the "**Publicly Available Information**") and subject to any further terms set forth in the contract note to be sent to individual Placees.

Each Placee, by participating in the Placing, agrees that the content of this Document is exclusively the responsibility of the Company and confirms that it has neither received nor relied on any information (other than the Publicly Available Information), representation, warranty or statement made by or on behalf of finnCap or the Company or any other person and none of finnCap, the Company nor any other person acting on such person's behalf nor any of their respective affiliates has or shall have any liability for any Placee's decision to participate in the Placing based on any other information, representation, warranty or statement. Each Placee acknowledges and agrees that it has relied on its own investigation of the business, financial or other position of the Company in accepting a participation in the Placing. No Placee should consider any information in the Publicly Available Information to be legal, tax or business advice. Nothing in this paragraph shall exclude the liability of any person for fraudulent misrepresentation.

Details of the Placing Agreement and the Placing Shares

finnCap has entered into a placing agreement with the Company and its directors (the "**Placing Agreement**") under which, on the terms and subject to the conditions set out in the Placing Agreement, finnCap, as agent for and on behalf of the Company, has agreed to use its reasonable endeavours to procure Placees for the Placing Shares. The Placing is not being underwritten by finnCap.

The Placing Shares will, when issued, be subject to the articles of association of the Company and credited as fully paid and will rank *pari passu* in all respects with the issued ordinary shares of 5 pence each in the capital of the Company, including the right to receive all dividends and other distributions declared, made or paid in respect of such Ordinary Shares after the date of issue of the Placing Shares.

Application for admission to trading

Application will be made to the London Stock Exchange for admission of the Placing Shares to trading on AIM.

It is expected that Fundraising Admission will take place on or before 8.00 a.m. on or around 23 August 2021 and that dealings in the Placing Shares on AIM will commence at the same time.

Principal terms of the Placing:

1. finnCap is acting as agent of the Company in connection with the Placing.
2. Participation in the Placing will only be available to persons who may lawfully be, and are, invited by finnCap to participate. finnCap and any of its affiliates are entitled to participate in the Placing as principal.
3. The price per Placing Share (the “**Placing Price**”) is fixed at 120 pence and is payable to finnCap (as agent for the Company) by all Placees.
4. Each Placee’s allocation of Placing Shares will be determined by finnCap in its discretion following consultation with the Company and will be confirmed orally over a recorded telephone line or in writing by finnCap as agent of the Company (“**Confirmation**”).
5. The Confirmation will constitute an irrevocable legally binding commitment upon that person (who will at that point become a Placee) to subscribe for the number of Placing Shares allocated to it at the Placing Price on the terms and conditions set out in this Part VII (a copy of the terms and conditions having been provided to the Placee prior to or at the same time as such Confirmation) and in accordance with the Company’s articles of association. For the avoidance of doubt, the Confirmation constitutes each Placee’s irrevocable legally binding agreement, subject to the Placing Agreement not having been terminated in accordance with its terms as described below and subject to fulfilment of the conditions referred to under the “**Conditions of the Placing**” Section below, to pay the aggregate settlement amount for the Placing Shares to be subscribed for by that Placee regardless of the total number of Placing Shares (if any) subscribed for by any other investor(s) and, except with the consent of finnCap, the Confirmation will not be capable of variation or revocation after the time at which it is submitted.
6. Each Placee’s allocation and commitment will be subsequently evidenced by a contract note issued to such Placee by finnCap. The terms of this Part VII will be deemed incorporated in that contract note.
7. Each Placee’s allocation and commitment to subscribe for Placing Shares will be made on the terms and subject to the conditions in this Part VII and will be legally binding on the Placee on behalf of which it is made and except with finnCap’s consent will not be capable of variation or revocation after the time at which it is submitted. Each Placee will have an immediate, separate, irrevocable and binding obligation, owed to finnCap (as agent for the Company), to pay to it (or as it may direct) in cleared funds an amount equal to the product of the Placing Price and the number of Placing Shares such Placee has agreed to acquire and the Company has agreed to allot and issue to that Placee.
8. Except as required by law or regulation, no press release or other announcement will be made by finnCap or the Company using the name of any Placee (or its agent), in its capacity as Placee (or agent), other than with such Placee’s prior written consent.
9. Irrespective of the time at which a Placee’s allocation(s) pursuant to the Placing is/are confirmed, settlement for all Placing Shares to be acquired pursuant to the Placing will be required to be made at the same time, on the basis explained below under “**Registration and settlement**”.
10. All obligations under the Placing will be subject to fulfilment of the conditions referred to below under “**Conditions of the Placing**” and to the Placing not being terminated on the basis referred to below under “**Termination of the Placing**”.
11. By participating in the Placing, each Placee will agree that its rights and obligations in respect of the Placing will terminate only in the circumstances described below and will not be capable of rescission or termination by the Placee.

12. To the fullest extent permissible by law and applicable FCA rules, neither:
- (a) finnCap;
 - (b) any of its affiliates, agents, directors, officers, consultants or employees; nor
 - (c) to the extent not contained within (a) or (b), any person connected with finnCap as defined in the FSMA ((b) and (c) being together “**affiliates**” and individually an “**affiliate**” of finnCap);

shall have any liability (including to the extent permissible by law, any fiduciary duties) to Placees or to any other person whether acting on behalf of a Placee or otherwise. In particular, neither finnCap nor any of its affiliates shall have any liability (including, to the extent permissible by law, any fiduciary duties) in respect of finnCap’s conduct of the Placing or of such alternative method of effecting the Placing as finnCap and the Company may agree.

Registration and settlement

If Placees are allocated any Placing Shares in the Placing they will be sent a contract note or electronic confirmation which will confirm the number of Placing Shares allocated to them, the Placing Price and the aggregate amount owed by them to finnCap.

Each Placee will be deemed to agree that it will do all things necessary to ensure that delivery and payment is completed as directed by finnCap in accordance with either the standing CREST or certificated settlement instructions which they have in place with finnCap.

Settlement of transactions in the Placing Shares (ISIN: GB00BGQVB052) following Fundraising Admission will take place within the CREST system, subject to certain exceptions. Settlement through CREST will be on a T+2 basis unless otherwise notified by finnCap and is expected to occur on 23 August 2021 (the “**Settlement Date**”) in accordance with the contract notes. Settlement will be on a delivery versus payment basis. However, in the event of any difficulties or delays in the admission of the Placing Shares to CREST or the use of CREST in relation to the Placing, the Company and finnCap may agree that the Placing Shares should be issued in certificated form. finnCap reserves the right to require settlement for the Placing Shares, and to deliver the Placing Shares to Placees, by such other means as it deems necessary if delivery or settlement to Placees is not practicable within the CREST system or would not be consistent with regulatory requirements in a Placee’s jurisdiction. If a Placee wishes to receive its Placing Shares in certificated form, it should contact Carly Cella at finnCap on 0207 220 0505 as soon as possible after receipt of its contract note.

Interest is chargeable daily on payments not received from Placees on the due date in accordance with the arrangements set out above, in respect of either CREST or certificated deliveries, at the rate of 2 percentage points above the prevailing base rate of Barclays Bank plc as determined by finnCap.

Each Placee is deemed to agree that if it does not comply with these obligations, finnCap may sell any or all of their Placing Shares on their behalf and retain from the proceeds, for finnCap’s own account and benefit, an amount equal to the aggregate amount owed by the Placee plus any interest due. The relevant Placee will, however, remain liable for any shortfall below the Placing Price and for any stamp duty or stamp duty reserve tax (together with any interest or penalties) which may arise upon the sale of its Placing Shares on its behalf. Legal and/or beneficial title in and to any Placing Shares shall not pass to the relevant Placee until such time as it has fully complied with its obligations hereunder.

If Placing Shares are to be delivered to a custodian or settlement agent, Placees must ensure that, upon receipt, the conditional contract note is copied and delivered immediately to the relevant person within that organisation. Insofar as Placing Shares are registered in a Placee’s name or that of its nominee or in the name of any person for whom a Placee is contracting as agent or that of a nominee for such person, such Placing Shares should, subject as provided below, be so registered free from any liability to United Kingdom stamp duty or stamp duty reserve tax. Placees will not be entitled to receive any fee or commission in connection with the Placing.

Conditions of the Placing

The obligations of finnCap under the Placing Agreement are, and the Placing, in respect of Fundraising Admission is, conditional upon, *inter alia*:

- (a) the Company complying with its obligations under the Placing Agreement to the extent that they fall to be performed on or before Fundraising Admission;
- (b) the Subscription Letter having become unconditional in all respects (save only in respect of any condition as to Fundraising Admission) and the Company or a member of its Group having received the Subscription proceeds from the Subscriber;
- (c) the due convening of the General Meeting and passing of the Shareholder Resolutions thereat without amendment;
- (d) as at the 8.00am of the date of the Second Court Hearing, the Scheme of Arrangement becoming unconditional;
- (e) the Company having allotted, conditional only upon Fundraising Admission, the Placing Shares in accordance with the Placing Agreement; and
- (f) Fundraising Admission occurring by not later than 8.00 a.m. on 23 August 2021 or such later time as finnCap may agree with the Company (being not later than 15 December 2021),

(all conditions to the obligations of finnCap included in the Placing Agreement being together, the “**conditions**”).

If any of the conditions set out in the Placing Agreement are not fulfilled or, where permitted, waived in accordance with the Placing Agreement within the stated time periods (or such later time and/or date as the Company and finnCap may agree), or the Placing Agreement is terminated in accordance with its terms, the Placing will lapse and the Placee’s rights and obligations shall cease and terminate at such time and each Placee agrees that no claim can be made by or on behalf of the Placee (or any person on whose behalf the Placee is acting) in respect thereof.

By participating in the Placing, each Placee agrees that its rights and obligations cease and terminate only in the circumstances described above and under “**Termination of the Placing**” below and will not be capable of rescission or termination by it.

finnCap may, in its absolute discretion and upon such terms as it thinks fit, waive fulfilment of all or any of the conditions in the Placing Agreement in whole or in part, or extend the time provided for fulfilment of one or more conditions. Any such extension or waiver will not affect Placees’ commitments as set out in this Part VII.

finnCap may terminate the Placing Agreement in certain circumstances, details of which are set out below.

Neither finnCap nor any of its affiliates, agents, directors, officers or employees nor the Company shall have any liability to any Placee (or to any other person whether acting on behalf of a Placee or otherwise) in respect of any decision any of them may make as to whether or not to waive or to extend the time and/or date for the satisfaction of any condition to the Placing nor for any decision any of them may make as to the satisfaction of any condition or in respect of the Placing generally and by participating in the Placing each Placee agrees that any such decision is within the absolute discretion of finnCap.

Termination of the Placing

finnCap may, in its absolute discretion, by notice to the Company, terminate the Placing Agreement at any time up to Fundraising Admission if, *inter alia*:

- (a) the Company fails to comply with any of its obligations under the Placing Agreement;
- (b) any statement contained in this Document or any other document or announcement issued or published by or on behalf of the Company in connection with the Transaction was or has been discovered to be untrue, inaccurate or misleading; and
- (c) any of the warranties given by the Company in the Placing Agreement were not true and accurate, or were misleading: (i) when given or deemed given; or (ii) at any time they are repeated or deemed

repeated (by reference to the facts or circumstances in each case then subsisting) would no longer be true and accurate, or would be misleading,

in each case in a respect which finnCap (acting reasonably) considers to be material in the context of the Transaction.

In addition, finnCap may by notice in writing to the Company prior to Fundraising Admission terminate the Placing Agreement if there has been a force majeure event.

If the Placing Agreement is terminated in accordance with its terms, the rights and obligations of each Placee in respect of the Placing as described in this Announcement shall cease and terminate at such time and no claim can be made by any Placee in respect thereof.

By participating in the Placing, each Placee agrees with the Company and finnCap that the exercise by the Company or finnCap of any right of termination or any other right or other discretion under the Placing Agreement shall be within the absolute discretion of the Company or finnCap or for agreement between the Company and finnCap (as the case may be) and that neither the Company nor finnCap need make any reference to such Placee and that none of the Company, finnCap nor any of their respective affiliates, agents, directors, officers or employees shall have any liability to such Placee (or to any other person whether acting on behalf of a Placee or otherwise) whatsoever in connection with any such exercise.

Representations, warranties and further terms

By participating in the Placing, each Placee (and any person acting on such Placee's behalf) represents, warrants, acknowledges and agrees (for itself and for any such prospective Placee) that (save where finnCap expressly agrees in writing to the contrary):

- 1 it has read and understood this Document in its entirety and that its subscription for the Placing Shares is subject to and based upon all the terms, conditions, representations, warranties, indemnities, acknowledgements, agreements and undertakings and other information contained herein and that it has not relied on, and will not rely on, any information given or any representations, warranties or statements made at any time by any person in connection with Fundraising Admission, the Placing, the Company, the Placing Shares or otherwise, other than the information contained in this Document and the Publicly Available Information;
2. it has not received a prospectus or other offering document in connection with the Placing and acknowledges that no prospectus or other offering document:
 - (a) is required under the UK Prospectus Regulation or EU Prospectus Regulation or other applicable law; and
 - (b) has been or will be prepared in connection with the Placing;
3. the Ordinary Shares are admitted to trading on AIM, and that the Company is therefore required to publish certain business and financial information in accordance with the AIM Rules, which includes a description of the nature of the Company's business and the Company's most recent balance sheet and profit and loss account and that it is able to obtain or access such information without undue difficulty, and is able to obtain access to such information or comparable information concerning any other publicly traded company, without undue difficulty;
4. it has made its own assessment of the Placing Shares and has relied on its own investigation of the business, financial or other position of the Company in accepting a participation in the Placing and neither finnCap nor the Company nor any of their respective affiliates, agents, directors, officers or employees nor any person acting on behalf of any of them has provided, and will not provide, it with any material regarding the Placing Shares or the Company or any other person other than the information in this Document or the Publicly Available Information; nor has it requested finnCap, the Company, any of their respective affiliates, agents, directors, employees or officers or any person acting on behalf of any of them to provide it with any such information;
5. neither finnCap nor any person acting on behalf of it nor any of its affiliates, agents, directors, officers or employees has or shall have any liability for any Publicly Available Information, or any representation relating to the Company, provided that nothing in this paragraph excludes the liability of any person for fraudulent misrepresentation made by that person;

6. the only information on which it is entitled to rely on and on which it has relied in committing to subscribe for the Placing Shares is contained in the Publicly Available Information, such information being all that it deems necessary to make an investment decision in respect of the Placing Shares and it has made its own assessment of the Company, the Placing Shares and the terms of the Placing based on the Publicly Available Information;
7. neither finnCap, nor the Company (nor any of their respective affiliates, agents, directors, officers and employees) have made any representation or warranty to it, express or implied, with respect to the Company, the Placing or the Placing Shares or the accuracy, completeness or adequacy of the Publicly Available Information;
8. it has conducted its own investigation of the Company, the Placing and the Placing Shares, satisfied itself that the information is still current and relied on that investigation for the purposes of its decision to participate in the Placing;
9. it has not relied on any investigation that finnCap or any person acting on its behalf may have conducted with respect to the Company, the Placing or the Placing Shares;
10. the content of this Document and the Publicly Available Information has been prepared by and is exclusively the responsibility of the Company and that neither finnCap nor any persons acting on its behalf is responsible for or has or shall have any liability for any information, representation, warranty or statement relating to the Company contained in this Document or the Publicly Available Information nor will they be liable for any Placee's decision to participate in the Placing based on any information, representation, warranty or statement contained in this Document, the Publicly Available Information or otherwise. Nothing in this Part VII shall exclude any liability of any person for fraudulent misrepresentation;
11. it is not, and at the time the Placing Shares are acquired will not be, a resident of the United States, Australia, Canada, the Republic of South Africa or Japan;
12. the Placing Shares have not been registered or otherwise qualified, and will not be registered or otherwise qualified, for offer and sale nor will a prospectus be cleared or approved in respect of any of the Placing Shares under the securities laws of the United States, or any state or other jurisdiction of the United States, Australia, Canada, the Republic of South Africa or Japan and, subject to certain exceptions, may not be offered, sold, taken up, renounced or delivered or transferred, directly or indirectly, within the United States, Australia, Canada, Japan or the Republic of South Africa or in any country or jurisdiction where any such action for that purpose is required;
13. it has the funds available to pay for the Placing Shares for which it has agreed to subscribe and acknowledges and agrees that it will pay the total subscription amount in accordance with the terms of this Document on the due time and date set out herein, failing which the relevant Placing Shares may be placed with other Placees or sold at such price as finnCap determines;
14. it and/or each person on whose behalf it is participating:
 - (a) is entitled to acquire Placing Shares pursuant to the Placing under the laws and regulations of all relevant jurisdictions;
 - (b) has fully observed such laws and regulations;
 - (c) has capacity and authority and is entitled to enter into and perform its obligations as an acquirer of Placing Shares and will honour such obligations; and
 - (d) has obtained all necessary consents and authorities (including, without limitation, in the case of a person acting on behalf of a Placee, all necessary consents and authorities to agree to the terms set out or referred to in this Part VII) under those laws or otherwise and complied with all necessary formalities to enable it to enter into the transactions contemplated hereby and to perform its obligations in relation thereto and, in particular, if it is a pension fund or investment company it is aware of and acknowledges it is required to comply with all applicable laws and regulations with respect to its subscription for Placing Shares;
15. it is not, and any person who it is acting on behalf of is not, and at the time the Placing Shares are subscribed will not be, a resident of, or with an address in, or subject to the laws of, Australia, Canada, Japan or the Republic of South Africa, and it acknowledges and agrees that the Placing Shares have not been and will not be registered or otherwise qualified under the securities legislation of Australia,

Canada, Japan or the Republic of South Africa and may not be offered, sold, or acquired, directly or indirectly, within those jurisdictions;

16. it and the beneficial owner of the Placing Shares is, and at the time the Placing Shares are acquired will be, outside the United States and acquiring the Placing Shares in an “**offshore transaction**” as defined in, and in accordance with, Regulation S under the Securities Act;
17. it understands that the Placing Shares have not been, and will not be, registered under the Securities Act and may not be offered, sold or resold in or into or from the United States except pursuant to an effective registration under the Securities Act, or pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in accordance with applicable state securities laws; and no representation is being made as to the availability of any exemption under the Securities Act for the reoffer, resale, pledge or transfer of the Placing Shares;
18. it (and any account for which it is purchasing) is not acquiring the Placing Shares with a view to any offer, sale or distribution thereof within the meaning of the Securities Act;
19. it understands that:
 - (a) the Placing Shares are “**restricted securities**” within the meaning of Rule 144(a)(3) under the Securities Act;
 - (b) no representation is made as to the availability of the exemption provided by Rule 144 for resales of Placing Shares; and
 - (c) it will not deposit the Placing Shares in a depositary receipt programme in the United States or for US persons (as defined in the Securities Act);
20. it will not offer, sell, transfer, pledge or otherwise dispose of any Placing Shares except:
 - (a) in an offshore transaction in accordance with Rules 903 or 904 of Regulation S under the Securities Act; or
 - (b) pursuant to another exemption from registration under the Securities Act, if available,and in each case in accordance with all applicable securities laws of the states of the United States and other jurisdictions;
21. it understands that the Placing Shares are expected to be issued to it through CREST but may be issued to it in certificated, definitive form and acknowledges and agrees that the Placing Shares may, to the extent they are delivered in certificated form, bear a legend to the following effect unless agreed otherwise with the Company:

“THESE SECURITIES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “**SECURITIES ACT**”), OR UNDER THE APPLICABLE SECURITIES LAWS OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES, AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (A) PURSUANT TO A REGISTRATION STATEMENT WHICH HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT, (B) IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT OR (C) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND, IN EACH CASE, IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE FOREGOING, THE SHARES MAY NOT BE DEPOSITED INTO ANY UNRESTRICTED DEPOSITARY RECEIPT FACILITY IN RESPECT OF SHARES ESTABLISHED OR MAINTAINED BY A DEPOSITARY BANK. EACH HOLDER, BY ITS ACCEPTANCE OF THESE SHARES, REPRESENTS THAT IT UNDERSTANDS AND AGREES TO THE FOREGOING RESTRICTIONS”;
22. it will not distribute, forward, transfer or otherwise transmit this Document or any part of it, or any other presentational or other materials concerning the Placing in or into or from the United States (including electronic copies thereof) to any person, and it has not distributed, forwarded, transferred or otherwise transmitted any such materials to any person;
23. none of finnCap, its affiliates and any person acting on behalf of any of them is making any recommendations to it or advising it regarding the suitability of any transactions it may enter into in connection with the Placing and that participation in the Placing is on the basis that it is not and will

not be a client of finnCap and that finnCap has no duties or responsibilities to it for providing the protections afforded to its clients or for providing advice in relation to the Placing nor in respect of any representations, warranties, undertakings or indemnities contained in the Placing Agreement nor for the exercise or performance of any of its rights and obligations thereunder including any rights to waive or vary any conditions or exercise any termination right;

24. it will make payment to finnCap for the Placing Shares allocated to it in accordance with the terms and conditions of this Document on the due times and dates set out in this Document, failing which the relevant Placing Shares may be placed with others on such terms as finnCap determines in its absolute discretion without liability to the Placee and it will remain liable for any shortfall below the net proceeds of such sale and the placing proceeds of such Placing Shares and may be required to bear any stamp duty or stamp duty reserve tax (together with any interest or penalties due pursuant to the terms set out or referred to in this Document) which may arise upon the sale of such Placee's Placing Shares on its behalf;
25. its allocation (if any) of Placing Shares will represent a maximum number of Placing Shares which it will be entitled, and required, to subscribe for, and that the Company may call upon it to subscribe for a lower number of Placing Shares (if any), but in no event in aggregate more than the aforementioned maximum;
26. no action has been or will be taken by any of the Company, finnCap or any person acting on behalf of the Company or finnCap that would, or is intended to, permit a public offer of the Placing Shares in the United States or in any country or jurisdiction where any such action for that purpose is required;
27. the person who it specifies for registration as holder of the Placing Shares will be:
 - (a) the Placee; or
 - (b) a nominee of the Placee, as the case may be;
28. finnCap and the Company will not be responsible for any liability to stamp duty or stamp duty reserve tax resulting from a failure to observe this requirement. Each Placee and any person acting on behalf of such Placee agrees to subscribe for Placing Shares pursuant to the Placing and agrees to indemnify the Company and finnCap in respect of the same on the basis that the Placing Shares will be allotted to a CREST stock account of finnCap or transferred to a CREST stock account of finnCap who will hold them as nominee on behalf of the Placee until settlement in accordance with its standing settlement instructions with it;
29. the allocation, allotment, issue and delivery to it, or the person specified by it for registration as holder, of Placing Shares will not give rise to a stamp duty or stamp duty reserve tax liability under (or at a rate determined under) any of sections 67, 70, 93 or 96 of the Finance Act 1986 (depository receipts and clearance services) and that it is not participating in the Placing as nominee or agent for any person or persons to whom the allocation, allotment, issue or delivery of Placing Shares would give rise to such a liability;
30. it and any person acting on its behalf (if within the United Kingdom) falls within Article 19(5) and/or 49(2) of the Order and is a "professional client" or an "eligible counterparty" within the meaning of Chapter 3 of the FCA's Conduct of Business Sourcebook and undertakes that it will acquire, hold, manage and (if applicable) dispose of any Placing Shares that are allocated to it for the purposes of its business only;
31. it has not offered or sold and will not offer or sell any Placing Shares to persons in the United Kingdom or in any member state of the EEA prior to the expiry of a period of six months from Fundraising Admission except to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their business or otherwise in circumstances which have not resulted and which will not result in an offer to the public in the United Kingdom within the meaning of section 85(1) of the FSMA or the UK Prospectus Regulation or an offer to the public in any other member state of the EEA within the meaning of the EU Prospectus Regulation;
32. if it is within the UK, it is a Qualified Investor within the meaning of Article 2(1)(e) of the UK Prospectus Regulation;
33. if it is within the EEA, it is a Qualified Investor within the meaning of Article 2(1)(e) of the EU Prospectus Regulation;

34. it has only communicated or caused to be communicated and it will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) relating to Placing Shares in circumstances in which section 21(1) of the FSMA does not require approval of the communication by an authorised person and it acknowledges and agrees that this Document has not been approved by finnCap in its capacity as an authorised person under section 21 of the FSMA and it may not therefore be subject to the controls which would apply if it was made or approved as financial promotion by an authorised person;
35. it has complied and it will comply with all applicable laws with respect to anything done by it or on its behalf in relation to the Placing Shares (including all relevant provisions of the FSMA in respect of anything done in, from or otherwise involving the United Kingdom);
36. it represents and warrants that, if it is a financial intermediary, as that term is used in Article 5(1) of the UK Prospectus Regulation, the Placing Shares acquired by it in the Placing will not be acquired on a non-discretionary basis on behalf of, nor will they be acquired with a view to their offer or resale to, persons in the United Kingdom or other than Qualified Investors, or in circumstances in which the express prior written consent of finnCap has been given to the offer or resale;
36. it represents and warrants that, if it is a financial intermediary, as that term is used in Article 5(1) of the EU Prospectus Regulation, the Placing Shares acquired by it in the Placing will not be acquired on a non-discretionary basis on behalf of, nor will they be acquired with a view to their offer or resale to, persons in a member state of the EEA other than Qualified Investors, or in circumstances in which the express prior written consent of finnCap has been given to the offer or resale;
38. if it has received any confidential price sensitive information about the Company in advance of the Placing, it has not:
 - (a) dealt in the securities of the Company;
 - (b) encouraged or required another person to deal in the securities of the Company; or
 - (c) disclosed such information to any person, prior to the information being made publicly available;
39. neither finnCap, the Company nor any of their respective affiliates, agents, directors, officers or employees nor any person acting on behalf of finnCap or its affiliates, agents, directors, officers or employees is making any recommendations to it, advising it regarding the suitability of any transactions it may enter into in connection with the Placing nor providing advice in relation to the Placing nor in respect of any representations, warranties, acknowledgements, agreements, undertakings, or indemnities contained in the Placing Agreement nor the exercise or performance of any of finnCap's rights and obligations thereunder including any rights to waive or vary any conditions or exercise any termination right;
40. finnCap and its affiliates, acting as an investor for its or their own account(s), may bid or subscribe for and/or purchase Placing Shares and, in that capacity, may retain, purchase, offer to sell or otherwise deal for its or their own account(s) in the Placing Shares, any other securities of the Company or other related investments in connection with the Placing or otherwise. Accordingly, references in this Document to the Placing Shares being offered, subscribed, acquired or otherwise dealt with should be read as including any offer to, or subscription, acquisition or dealing by, finnCap and/or any of its affiliates acting as an investor for its or their own account(s). Neither finnCap nor the Company intend to disclose the extent of any such investment or transaction otherwise than in accordance with any legal or regulatory obligation to do so;
41. (i) it has complied with and will continue to comply with its obligations under the Market Abuse Regulation (EU) No. 596/2014 (as it forms part of United Kingdom domestic law by virtue of the European Union (Withdrawal) Act 2018), Criminal Justice Act 1993 and Part VIII of the FSMA; (ii) it has complied with its obligations in connection with money laundering and terrorist financing under the Proceeds of Crime Act 2002 (as amended), the Terrorism Act 2000 (as amended), the Terrorism Act 2006 and the Money Laundering Terrorist Financing and Transfer of Funds (Information on the Payer) 2017 Regulations and any other applicable law (together, the "AML Regulations"); and (iii) it is not a person: (1) with whom transactions are prohibited under the Foreign Corrupt Practices Act of 1977 or any economic sanction programmes administered by, or regulations promulgated by, the Office of Foreign Assets Control of the U.S. Department of the Treasury; (2) named on the Consolidated List of Financial Sanctions Targets maintained by HM Treasury of the United Kingdom; or (3) subject to financial sanctions imposed pursuant to a regulation of the EU or a regulation adopted by the United Nations (together the "Regulations"); and, if making payment on behalf of a third party, that satisfactory

evidence has been obtained and recorded by it to verify the identity of the third party as required by the Regulations and pursuant to the AML Regulations and has obtained all governmental and other consents (if any) which may be required for the purpose of, or as a consequence of, such purchase, and it will provide promptly to finnCap or the Company such evidence, if any, as to the identity or location or legal status of any person (including in relation to the beneficial ownership of any underlying investor) which finnCap or the Company may request from it in connection with the Placing (for the purpose of complying with such Regulations or ascertaining the nationality of any person or the jurisdiction(s) to which any person is subject or otherwise or any other information as may be required to comply with legal or regulatory requirements (including in particular under the AML Regulations)) in the form and manner requested by finnCap or the Company on the basis that any failure by it to do so may result in the number of Placing Shares that are to be purchased by it or at its direction pursuant to the Placing being reduced to such number, or to nil, as finnCap may decide at its sole discretion;

42. in order to ensure compliance with the Regulations including the AML Regulations, finnCap (for itself and as agent on behalf of the Company) or the Company's registrars may, in their absolute discretion, require verification of its identity. Pending the provision to finnCap or the Company's registrars, as applicable, of evidence of identity, definitive certificates in respect of the Placing Shares may be retained at finnCap's absolute discretion or, where appropriate, delivery of the Placing Shares to it in uncertificated form may be delayed at finnCap's or the Company's registrars', as the case may be, absolute discretion. If within a reasonable time after a request for verification of identity finnCap (for itself and as agent on behalf of the Company) or the Company's registrars have not received evidence satisfactory to them, either finnCap and/or the Company may, at its absolute discretion, terminate its commitment in respect of the Placing, in which event the monies payable on acceptance of allotment will, if already paid, be returned without interest to the account of the drawee's bank from which they were originally debited;
43. it acknowledges that its commitment to acquire Placing Shares on the terms set out in this Document and in the contract note will continue notwithstanding any amendment that may in future be made to the terms and conditions of the Placing and that Placees will have no right to be consulted or require that their consent be obtained with respect to the Company's or finnCap's conduct of the Placing;
44. it has knowledge and experience in financial, business and international investment matters as is required to evaluate the merits and risks of subscribing for the Placing Shares. It further acknowledges that it is experienced in investing in securities of this nature and is aware that it may be required to bear, and is able to bear, the economic risk of, and is able to sustain, a complete loss in connection with the Placing. It has relied upon its own examination and due diligence of the Company and its affiliates taken as a whole, and the terms of the Placing, including the merits and risks involved;
45. it irrevocably appoints any duly authorised officer of finnCap as its agent for the purpose of executing and delivering to the Company and/or its registrars any documents on its behalf necessary to enable it to be registered as the holder of any of the Placing Shares for which it agrees to subscribe for upon the terms of this Document;
46. the Company, finnCap and others (including each of their respective affiliates, agents, directors, officers and employees) will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgements and agreements, which are given to finnCap on its own behalf and on behalf of the Company and are irrevocable;
47. if it is acquiring the Placing Shares as a fiduciary or agent for one or more investor accounts, it has full power and authority to make, and does make, the foregoing representations, warranties, acknowledgements, agreements and undertakings on behalf of each such accounts;
48. time is of the essence as regards its obligations under this Part VII;
49. any document that is to be sent to it in connection with the Placing will be sent at its risk and may be sent to it at any address provided by it to finnCap;
50. the Placing Shares will be issued subject to the terms and conditions of this Part VII and the articles of association of the Company; and
51. the terms and conditions contained in this Part VII and all documents into which this Part VII is incorporated by reference or otherwise validly forms a part and/or any agreements entered into pursuant to these terms and conditions and all agreements to acquire Placing Shares pursuant to the Placing will be governed by and construed in accordance with English law and it submits to the exclusive jurisdiction of the English courts in relation to any claim, dispute or matter arising out of such

contract except that enforcement proceedings in respect of the obligation to make payment for the Placing Shares (together with interest chargeable thereon) may be taken by the Company or finnCap in any jurisdiction in which the relevant Placee is incorporated or in which any of its securities have a quotation on a recognised stock exchange.

By participating in the Placing, each Placee (and any person acting on such Placee's behalf) agrees to indemnify and hold the Company, finnCap and each of their respective affiliates, agents, directors, officers and employees harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of the representations, warranties, acknowledgements, agreements and undertakings given by the Placee (and any person acting on such Placee's behalf) in this Part VII or incurred by finnCap, the Company or each of their respective affiliates, agents, directors, officers or employees arising from the performance of the Placee's obligations as set out in this Document, and further agrees that the provisions of this Part VII shall survive after the completion of the Placing.

The agreement to allot and issue Placing Shares to Placees (or the persons for whom Placees are contracting as agent) free of stamp duty and stamp duty reserve tax in the United Kingdom relates only to their allotment and issue to Placees, or such persons as they nominate as their agents, direct by the Company. Such agreement assumes that the Placing Shares are not being acquired in connection with arrangements to issue depositary receipts or to transfer the Placing Shares into a clearance service. If there are any such arrangements, or the settlement related to any other dealings in the Placing Shares, stamp duty or stamp duty reserve tax may be payable. In that event, the Placee agrees that it shall be responsible for such stamp duty or stamp duty reserve tax and neither the Company nor finnCap shall be responsible for such stamp duty or stamp duty reserve tax. If this is the case, each Placee should seek its own advice and they should notify finnCap accordingly. In addition, Placees should note that they will be liable for any capital duty, stamp duty and all other stamp, issue, securities, transfer, registration, documentary or other duties or taxes (including any interest, fines or penalties relating thereto) payable outside the United Kingdom by them or any other person on the acquisition by them of any Placing Shares or the agreement by them to acquire any Placing Shares and each Placee, or the Placee's nominee, in respect of whom (or in respect of the person for whom it is participating in the Placing as an agent or nominee) the allocation, allotment, issue or delivery of Placing Shares has given rise to such non-United Kingdom stamp, registration, documentary, transfer or similar taxes or duties undertakes to pay such taxes and duties, including any interest and penalties (if applicable), forthwith and to indemnify on an after-tax basis and to hold harmless the Company and finnCap in the event that either the Company and/or finnCap have incurred any such liability to such taxes or duties.

The representations, warranties, acknowledgements and undertakings contained in this Part VII are given to finnCap for itself and on behalf of the Company and are irrevocable.

finnCap is authorised and regulated by the FCA in the United Kingdom and is acting exclusively for the Company and no one else in connection with the Placing, and finnCap will not be responsible to anyone (including any Placees) other than the Company for providing the protections afforded to its clients or for providing advice in relation to the Placing or any other matters referred to in this Document.

Each Placee and any person acting on behalf of the Placee acknowledges that finnCap does not owe any fiduciary or other duties to any Placee in respect of any representations, warranties, undertakings, acknowledgements, agreements or indemnities in the Placing Agreement.

Each Placee and any person acting on behalf of the Placee acknowledges and agrees that finnCap may (at its absolute discretion) satisfy its obligations to procure Placees by itself agreeing to become a Placee in respect of some or all of the Placing Shares or by nominating any connected or associated person to do so.

When a Placee or any person acting on behalf of the Placee is dealing with finnCap, any money held in an account with finnCap on behalf of the Placee and/or any person acting on behalf of the Placee will not be treated as client money within the meaning of the relevant rules and regulations of the FCA made under the FSMA. Each Placee acknowledges that the money will not be subject to the protections conferred by the client money rules: as a consequence this money will not be segregated from finnCap's money in accordance with the client money rules and will be held by it under a banking relationship and not as trustee.

References to time in this Document are to London time, unless otherwise stated.

All times and dates in this Document may be subject to amendment. Placees will be notified of any changes.

No statement in this Document is intended to be a profit forecast or estimate, and no statement in this Document should be interpreted to mean that earnings per share of the Company for the current or future financial years would necessarily match or exceed the historical published earnings per share of the Company.

The price of shares and any income expected from them may go down as well as up and investors may not get back the full amount invested upon disposal of the shares. Past performance is no guide to future performance, and persons needing advice should consult an independent financial adviser.

The Placing Shares to be issued pursuant to the Placing will not be admitted to trading on any stock exchange other than the London Stock Exchange.

Neither the content of the Company's website nor any website accessible by hyperlinks on the Company's website is incorporated in, or forms part of, this Document.

PART VIII

NOTICE OF GENERAL MEETING

ACCESS INTELLIGENCE PLC

(Incorporated and registered in England & Wales under the Companies Act 2006 with registered number 04799195)

NOTICE is hereby given that a General Meeting of Access Intelligence plc (the “Company”) will be held at 10.00 a.m. on 9 July 2021 at Riverbank House, 2 Swan Lane, London EC4R 3TT. for the purpose of considering and, if thought fit, passing the following resolutions, of which resolutions 1 and 2 shall be proposed as ordinary resolutions and resolutions 3 and 4 shall be proposed as special resolutions:

ORDINARY RESOLUTIONS

1. THAT, subject to and conditional upon the passing of resolutions 2 and 3 (inclusive) as set out in the notice of this meeting, the Acquisition (as defined in the Admission Document) be and is hereby approved and the Directors (or any duly authorised committee thereof) be and are hereby authorised:
 - (a) to proceed with the Acquisition substantially on the terms and subject to the conditions set out in the Admission Document;
 - (b) to do or procure to be done all such acts and things on behalf of the Company and any of its subsidiaries as the Directors consider necessary, desirable or expedient to implement, or otherwise in connection with, the Acquisition; and
 - (c) to agree such modifications, variations, revisions, waivers, extensions, additions or amendments to any of the terms and conditions of the Acquisition and/or to any documents relating to the Acquisition, as the Directors (or any duly authorised committee thereof) may in their absolute discretion think fit, provided such modifications, variations, revisions, waivers, extensions, additions or amendments are not of a material nature.

2. THAT, subject to and conditional upon the passing of resolution 1 as set out in the notice of this meeting, the Directors are generally and unconditionally authorised for the purposes of section 551 of the Companies Act 2006 (the “Act”) in substitution for all previous authorisations to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for or convert any security into shares in the Company (“Rights”):
 - (a) up to an aggregate nominal amount of £2,083,334 in connection with the issue of the Fundraising Shares (as defined in the Admission Document of which this notice forms part); and
 - (b) otherwise than pursuant to sub-paragraph (a) above, up to an aggregate nominal amount equal to £2,133,554.00 and being approximately one third of the aggregate nominal amount of the Enlarged Issued Share Capital (as defined in the Admission Document of which this notice forms part),

provided that this authorisation shall, unless previously revoked by resolution of the Company, expire 12 months after the date of the passing of this resolution. The Company may, at any time before such expiry, make offers or enter into agreements which would or might require shares to be allotted or Rights to be granted after such expiry and the Directors may allot shares or grant Rights in pursuance of any such offer or agreement as if this authorisation had not expired.

SPECIAL RESOLUTIONS

3. THAT, conditional on the passing of resolutions 1 and 2 (inclusive) as set out in the notice of this meeting, the Directors are empowered pursuant to section 570 of the Act to allot equity securities (within the meaning of section 560 of the Act) for cash pursuant to the authorisation conferred by Resolution 2 above as if section 561 of the Act did not apply to the allotment, provided that this power is limited to the allotment of equity securities:
 - (a) up to an aggregate nominal amount of £2,083,334.00 in connection with the issue of the Fundraising Shares;

- (b) in connection with an offer by way of rights issue to:
 - (i) existing shareholders in proportion (as nearly as may be practicable) to their existing holdings of ordinary shares; and
 - (ii) holders of other equity securities, if this is required by the rights of those securities or, if the Directors consider it necessary, but subject to such exclusions and other arrangements as the Directors may consider necessary or appropriate in relation to fractional entitlements, record dates, legal, regulatory or practical problems or under the laws of any territory (including the requirements of any regulatory body or stock exchange) or any other matter; and
- (c) otherwise than pursuant subparagraphs (a) to (b) above, in connection with the allotment of further equity securities up to an aggregate nominal amount of £640,066 and being equal to 10 per cent. of the Enlarged Issued Share Capital,

and this power shall, unless previously revoked by resolution of the Company, expire 12 months after the passing of this resolution and that the Company may, at any time before the expiry of this power, make offers or enter into agreements which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of any such offer or agreement as if this power had not expired.

4. That the new articles of association produced to the meeting and, for the purposes of identification, initialled by the Chairperson, be adopted as the new articles of association of the Company in substitution for and to the exclusion of the existing articles of association of the Company and (for the avoidance of doubt) to the exclusion of, and in substitution for, the relevant provisions of the memorandum of association that would otherwise be treated as provisions of the articles under section 28 of the Companies Act 2006.

By order of the Board

Beyond Governance Limited
 Company Secretary

Registered Office:
 The Johnson Building
 79 Hatton Garden
 London EC1N 8AW

Notes:

1. Any member entitled to attend, vote and speak at the meeting convened by the above notice is entitled to appoint one or more proxies to attend, speak and vote on a poll at the meeting instead of him. A proxy need not be a member of the Company but must attend the Meeting to represent you. More than one proxy may be appointed to exercise the rights attaching to different shares held by the member, but a member may not appoint more than one proxy to exercise rights attached to any one share.
2. Please indicate the proxy holder's name and the number of shares in relation to which they are authorised to act as your proxy (which, in aggregate, should not exceed the number of shares held by you) in the boxes indicated on the form of proxy. Please also indicate if the proxy instruction is one of multiple instructions being given. To appoint more than one proxy please see the instructions on the enclosed form of proxy. All forms must be signed and should be returned together in the same envelope.
3. To be valid, the enclosed form of proxy for the meeting convened by the above notice and any authority under which it is executed (or a notarially certified copy of such authority) must be deposited at the Company's registrars' office (Neville Registrars Limited, Neville House, Steelpark Road, Halesowen B62 8HD) not less than 48 hours (excluding any part of a day that is not a working day) before the time for holding the meeting. Implementation of the Acquisition and return of the form of proxy will not preclude members from attending and voting in person at the meeting.
4. CREST members who wish to vote appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the Meeting and any adjournment(s) of it by using the procedures described in the CREST Manual (available from <https://www.euroclear.com/site/public/EUI>). CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
5. As an alternative to completing the hard copy form of proxy, you can appoint a proxy electronically online at www.sharegateway.co.uk and completing the authentication requirements as set out on the form of proxy. For an electronic proxy appointment to be valid, your appointment must be received by Neville Registrars Limited not later than 10:00 a.m. on 7 July 2021 or not less than 48 hours (excluding any part of a day that is not a working day) before the time appointed for the adjourned meeting at which it is to be used.
6. In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's ("EUI") specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the Registrar (Participant ID 7RA11) no later than 48 hours (excluding any part of a day that is not a working

day) before the time appointed for the holding of the Meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

7. CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
8. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
9. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the time by which a person must be entered on the register of members in order to have the right to attend and vote at the General Meeting is close of business on the day 48 hours (excluding any part of a day that is not a working day) prior to the time for holding the meeting, or if the meeting is adjourned 48 hours (excluding any part of a day that is not a working day) prior to the time for holding the adjourned meeting. Changes to entries on the register of members after that time will be disregarded in determining the right of any person to attend or vote at the meeting.
10. In the case of joint holders, the vote of the senior holder who tenders a vote whether in person or by proxy will be accepted to the exclusion of the votes of the other joint holders and for this purpose seniority will be determined by the order in which the names stand in the register of members of the Company in respect of the relevant joint holding.
11. In the case of a corporation, the form of proxy must be executed under its common seal or signed on its behalf by a duly authorised attorney or duly authorised officer of the corporation.

