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**ACOUSTIC MARKETING UK, LTD**

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**ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021**

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**ACOUSTIC MARKETING UK, LTD**

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**COMPANY INFORMATION**

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<b>Directors</b>	Elmer Andy Lai (appointed 30 April 2021) Peter Curtis (appointed 25 June 2021)
<b>Registered number</b>	12046718
<b>Registered office</b>	C/O Tmf Group 8th Floor 20 Farringdon Street London EC4A 4AB
<b>Independent auditors</b>	Calders (1883) LLP Chartered Accountants & Statutory Auditors 30 Orange Street London WC2H 7HF

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**GROUP STRATEGIC REPORT  
FOR THE YEAR ENDED 30 JUNE 2021**

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**Introduction**

Acoustic Marketing UK, Ltd present their consolidated financial statements and strategic report for the period ended 30th June 2021.

**Business review**

The Company is a wholly owned subsidiary of Acoustic L.P.

Acoustic provides primarily software-as-a-service ("SaaS") solutions that include an independent marketing cloud platform, offering an open marketing ecosystem comprised of intuitive, AI-powered products that are purpose-built for marketers, providing digital marketing, marketing analytics, content management, personalisation, mobile marketing, and marketing automation. The Company provides their solutions in perpetual and term license formats, as well as associated professional services and support, in specific contracted regions.

Acoustic Marketing UK, Ltd concluded the transfer of trade from IBM and commenced operations as of 1st April 2020. Acoustic Marketing UK, Ltd heads up the international group of 15 operating entities and 4 branches across 19 countries. The results of which are included in these group consolidated financial statements.

The first full trading year to 30th June 2021, was focussed on continuing carving out the business and setting up global operations after divestiture from IBM. During the global COVID 19 pandemic presented a variety of challenges and risks from economic uncertainty to changes in consumer demand. As the financial year came to a close the macro-economic conditions stabilised in several international countries.

The company established during the financial year an Audit Committee and Compensation Committee which both meet quarterly. These include independent board members with strong subject matter experts.

Acoustic is supported by experienced outside parties, EY and Baker Tilley for tax, ADP for payroll, the TMF Group/Intertrust for global entity management compliance.

Future year's results will compared against internal objectives and key results.

**Principal risks and uncertainties**

Risks to the Company are generally limited as the parent company retains responsibility. Please refer to the Directors report for the principal risks to the company.

The Company's operations are subject to certain risks and uncertainties including, amongst others, lack of operating history and uncertainty of future profitability. Since inception, the Company has suffered expected forecasted initial operating losses, principally from expenses associated with the Company's establishment of operations as a stand-alone entity and operating restrictions placed on the Company through the asset purchase agreement.

The company sells and provides credit on sales to its customers, this provides some risk. Trade debtors are recorded when a unconditional right to invoice and receive payments exists, such that only the passage of time is required before consideration is due. The company reviews outstanding debtors balances on a regular basis to assess their collectability. This is based upon historical write offs of expenses, known credit risks related to specific customers, the age of the trade debtors and economic conditions that may affect a customer's ability to pay.

GROUP STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2021

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The principal risks and uncertainties affecting the company are:

- General economic conditions
- Competition in the local markets in which they operate; and
- The ability to recruit, retain and motivate key employees

The directors take steps to mitigate against these risks where possible and are confident that current strategies in place are appropriate to risks faced.

#### COVID-19

In March 2020, the World Health Organisation recognised the novel strain of coronavirus ("COVID-19") as a pandemic. In response to this COVID-19 outbreak, the governments of many countries, states, cities and other geographical regions have taken preventative or protective actions, such as imposing restrictions on travel and business operations and advising or requiring individuals to limit or forego their time outside of their homes. Accordingly, the COVID-19 outbreak has severely restricted the level of economic activity in many countries and continues to adversely impact global economic activity and has contributed to significant volatility in financial markets. The Company is actively monitoring the impact of the global situation on its financial condition, liquidity, operations, suppliers, industry and workforce.

#### Financial key performance indicators

The performance of the company is measured at the Acoustic L.P. group level and local entity level where KPI's are determined. The executive leadership team and board of the company review the performance of the group via the Monthly Operating Review (MOR). Within the MOR is actual v budget analysis for Income Statement, Balance Sheet, Churn accounts review, CARR analysis, headcount by function (compared to budget), cashflow reporting, AR and AP analysis. There is a strong focus on EBIT and cashflow comparing to forecast of these critical areas.

During the financial year Acoustic underlaid our vision in **Objectives & Key Results (OKRs)** that we are putting in place to guide and manage our key performance indicators and objectives. These were:

- **Customer-centric culture:** enable new and existing customer and partner success through relentless company focus on outcomes that matter most to them
- **Market-aligned innovation:** develop and deliver on a platform, product and service offering vision and roadmap
- **Operational excellence & integrity:** establish and deliver always-on and scalable offerings and operational capabilities
- **Smarter, better, together:** forge an empowered, collaborative and high-performance team
- **Hit the numbers:** achieve financial results that fund continuous growth, innovation and long-term viability

In FY 2021, we used a non-financial KPI to measure employee engagement. The fulfilment of our staff is a key priority. Having engaged employees reduces staff turnover, improves productivity and helps us serve and retain our customers. Therefore, we undertook an employee engagement survey in February 2021, the results were analysed and trends identified and an executive leadership team action plan was devised

#### Turnover

The turnover of the consolidated UK Group for the year to 30th June 2021 was \$92,086,534 (3 months to 30th June 2020 - \$17,476,473), this includes revenue assigned from the respective IBM entities to the Acoustic entities. As Acoustic had no prior reported full year revenue we are unable to provide comparison data.

**GROUP STRATEGIC REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2021**

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**EBIT**

Earnings before interest and tax for the company were (\$17,988,152) (2020 - loss of \$2,838,615). the Company has suffered expected forecasted initial losses, principally from expenses associated with the Company's establishment of operations as a stand-alone entity and operating restrictions placed on the Company through the asset purchase agreement. In addition, there has been sales investment and R&D investment as the company focus on its future strategy and product roadmap developments.

**Directors' statement of compliance with duty to promote the success of the Group**

The directors of Acoustic Marketing UK Ltd consider, both individually and together, that they have acted in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole and having regard (amongst other matters) S172 Companies Act 2006, in the decisions taken during the year ended 30th June 2021.

When making decisions, each Director ensures that he/she acts in the way he/she considers, in good faith, would most likely promote the Company's success for the benefit of its members as a whole, and in doing so have regard (among other matters) to:

**S172(1) (A) "The likely consequences of any decision in the long term"**

The Directors understand the business and the evolving environment in which we operate, including the challenges of navigating through the COVID pandemic and the divestiture from IBM to stand-up all aspects of operations globally.

**S172(1) (B) "The interests of the company's employees"**

The Directors recognise that Acoustic employees are fundamental and core to our business and delivery of our strategic ambitions. The success of our business depends on attracting, retaining and motivating employees. From ensuring that we remain a responsible employer, from pay and benefits to our health, safety and workplace environment, the Directors factor the implications of decisions on employees and the wider workforce, where relevant and feasible. Acoustic intends to undertake an employee engagement survey in the next financial year in order to receive feedback from employee's and from the results undertake action plans from the results with regular pulse surveys.

**S172(1) (C) "The need to foster the company's business relationships with suppliers, customers and others"**

Delivering our strategy requires strong mutually beneficial relationships with suppliers, customers, governments, partners, investors. Acoustic seeks the promotion and application of certain general principles in such relationships. The ability to promote these principles effectively is an important factor in the decision to enter into or remain in such relationships and this alongside other standards are described in the Acoustic Global Code of Conduct.

**S172(1) (D) "The impact of the company's operations on the community and the environment"**

We are committed to ensuring that Acoustic is a socially & environmentally responsible organisation with high ethical & business standards. By sourcing products in an ethical way, building sustainable and efficient supply chain solutions with our customers/suppliers, and by inspiring both our own people and our broader communities, we aim to minimise risk while maximising value for all our stakeholders.

**GROUP STRATEGIC REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2021**

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**S172(1) (E) “The desirability of the company maintaining a reputation for high standards of business conduct”**

The Company periodically reviews and approves clear frameworks, such as Acoustic Global Code of Conduct, specific Ethics & Compliance manuals, to ensure that its high standards are maintained both within Acoustic businesses and the business relationships we maintain. This, complemented by the ways the Board is informed and monitors compliance with relevant governance standards help assure its decisions are taken and that Acoustic companies act in ways that promote high standards of business conduct as well as employees undertaking annual training for business conduct guidelines. Additionally Acoustic Information security has policies and procedures to adhere to customers and suppliers as well initiatives in relation to General Data Protection Regulation (GDPR).

**S172(1) (F) “The need to act fairly as between members of the company”**

The Directors consider to act fairly as between the Company’s members including future investment and business strategies as well as working to solid financial results as Acoustic realizes the potential of the divestiture and support from its private equity partners.

This report was approved by the board and signed on its behalf.

**Elmer Andy Lai**  
Director

Date: 22 December 2021

**DIRECTORS' REPORT  
FOR THE YEAR ENDED 30 JUNE 2021**

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The directors present their report and the financial statements for the year ended 30 June 2021.

**Directors' responsibilities statement**

The directors are responsible for preparing the Group strategic report, the Directors' report and the consolidated financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Financial Risk Management Objectives and Policies**

The company's principal objective is to manage risk by adhering to the group's financial risk related policies and procedures. The risk appetite of the group is considered low with procedures in place to mitigate key risks in the areas of credit, liquidity and cash flow risk.

**Results and dividends**

The loss for the year, after taxation and minority interests, amounted to \$21,663,337 (2020 - loss \$3,524,244).

As a result, no dividends were proposed or paid during the year.

**Directors**

The directors who served during the year were:

Kelly Phillips Hunt (appointed 5 May 2020, resigned 1 May 2021)  
Kent Todd Kelley (appointed 5 May 2020, resigned 30 June 2021)  
Elmer Andy Lai (appointed 30 April 2021)  
Peter Curtis (appointed 25 June 2021)



**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2021**

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**Future developments**

There are no plans to materially change the Company's activities in the future.

**Disclosure of information to auditors**

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company and the Group's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditors are aware of that information.

**Post balance sheet events**

Since the period under review, the COVID-19 pandemic has continued to be a significant risk to the global economy, further detailed within our Strategic Report.

There have been no other significant events affecting the Group since the year end.

**Auditors**

The auditors, Calders (1883) LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

**Elmer Andy Lai**

Director

Date: 22 December 2021

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ACOUSTIC MARKETING UK, LTD

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**Opinion**

We have audited the financial statements of Acoustic Marketing UK, Ltd (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 30 June 2021, which comprise the Group Statement of comprehensive income, the Group and Company Statements of financial position, the Group Statement of cash flows, the Group and Company Statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 30 June 2021 and of the Group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ACOUSTIC MARKETING UK, LTD (CONTINUED)**

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**Other information**

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Group strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group strategic report or the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ACOUSTIC MARKETING UK, LTD (CONTINUED)

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**Responsibilities of directors**

As explained more fully in the Directors' responsibilities statement set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

**Auditors' responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Group financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Discussions were held with the directors with a view to identifying those laws and regulations that could be expected to have a material impact on the financial statements. During the engagement team briefing, the outcomes of these discussions and enquiries were shared with the team, as well as consideration as to where and how fraud may occur in the entity.

The following laws and regulations were identified as being of significance to the entity:

- Those laws and regulations considered to have a direct effect on the financial statements include UK financial reporting standards, Company Law and Tax and Pensions legislation.
- Those laws and regulations for which non-compliance may be fundamental to the operating aspects of the business include GDPR.

Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised of inquiries of management and those charged with governance as to whether the entity complies with such laws and regulations, enquiries with the same concerning any actual or potential litigation or claims, testing the appropriateness of entries in the nominal ledger, including journal entries, reviewing transactions around the end of the reporting period and the performance of analytical procedures to identify unexpected movements in account balances which may be indicative of fraud.

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ACOUSTIC MARKETING UK, LTD (CONTINUED)

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A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' report.

**Use of our report**

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Ian Rosmarin (Senior statutory auditor)  
for and on behalf of  
**Calders (1883) LLP**  
Chartered Accountants & Statutory Auditors  
30 Orange Street  
London  
WC2H 7HF

22 December 2021

ACOUSTIC MARKETING UK, LTD

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2021

	Note	2021 \$	2020 \$
Turnover	4	92,086,534	17,476,473
Cost of sales		(2,644,996)	(187,942)
<b>Gross profit</b>		<b>89,441,538</b>	<b>17,288,531</b>
Administrative expenses		(108,496,762)	(19,796,331)
Other operating income		42,360	-
Other operating charges		225,071	707
<b>Operating loss</b>	6	<b>(18,787,793)</b>	<b>(2,507,093)</b>
Interest receivable and similar income	9	706	638
Interest payable and similar expenses	10	(1,742,237)	(1,792,418)
Other finance income / (charges)		(4,084,334)	616,038
<b>Loss before taxation</b>		<b>(24,613,658)</b>	<b>(3,682,835)</b>
Tax on loss	11	2,951,033	158,689
<b>Loss for the financial year</b>		<b>(21,662,625)</b>	<b>(3,524,146)</b>
<b>(Loss) for the year attributable to:</b>			
Non-controlling interests		712	98
Owners of the parent Company		(21,663,337)	(3,524,244)
		<b>(21,662,625)</b>	<b>(3,524,146)</b>
<b>Total comprehensive income for the year attributable to:</b>			
Non-controlling interest		712	98
Owners of the parent company		(21,701,744)	(3,524,244)
		<b>(21,701,032)</b>	<b>(3,524,146)</b>

There were no recognised gains and losses for 2021 other than those included in the consolidated statement of comprehensive income.

The notes on pages 22 to 41 form part of these financial statements.

**ACOUSTIC MARKETING UK, LTD**  
**REGISTERED NUMBER: 12046718**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2021**

	Note	2021 \$	2020 \$
<b>Fixed assets</b>			
Intangible assets	12	43,203,584	54,552,499
Tangible assets	13	1,566,127	787,851
		<u>44,769,711</u>	<u>55,340,350</u>
<b>Current assets</b>			
Debtors: amounts falling due after more than one year	15	947,592	-
Debtors: amounts falling due within one year	15	91,556,021	24,300,228
Cash at bank and in hand	16	8,853,178	3,296,766
		<u>101,356,791</u>	<u>27,596,994</u>
Creditors: amounts falling due within one year	17	(107,958,245)	(27,282,913)
<b>Net current (liabilities)/assets</b>		<u>(6,601,454)</u>	<u>314,081</u>
<b>Total assets less current liabilities</b>		<u>38,168,257</u>	<u>55,654,431</u>
Creditors: amounts falling due after more than one year	18	(23,335,419)	(19,120,560)
<b>Provisions for liabilities</b>			
<b>Net assets</b>		<u>14,832,838</u>	<u>36,533,871</u>
<b>Capital and reserves</b>			
Called up share capital	20	124	124
Share premium account	21	40,057,893	40,057,893
Foreign exchange reserve	21	(38,407)	-
Profit and loss account	21	(25,187,581)	(3,524,244)
<b>Equity attributable to owners of the parent Company</b>		<u>14,832,029</u>	<u>36,533,773</u>
Non-controlling interests		809	98
		<u>14,832,838</u>	<u>36,533,871</u>

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**ACOUSTIC MARKETING UK, LTD**  
**REGISTERED NUMBER: 12046718**

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**CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)**  
**AS AT 30 JUNE 2021**

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The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

**Elmer Andy Lai**  
Director

Date: 22 December 2021

The notes on pages 22 to 41 form part of these financial statements.



**ACOUSTIC MARKETING UK, LTD**  
**REGISTERED NUMBER: 12046718**

**COMPANY STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2021**

	Note	2021 \$	2020 \$
<b>Fixed assets</b>			
Intangible assets	12	32,573,226	41,518,815
Tangible assets	13	1,392,372	600,177
Investments	14	13,395,146	13,395,146
		<u>47,360,744</u>	<u>55,514,138</u>
<b>Current assets</b>			
Debtors: amounts falling due after more than one year	15	436,236	-
Debtors: amounts falling due within one year	15	58,076,404	14,860,315
Cash at bank and in hand	16	1,682,198	1,177,753
		<u>60,194,838</u>	<u>16,038,068</u>
Creditors: amounts falling due within one year	17	(68,814,759)	(16,301,504)
<b>Net current liabilities</b>		<u>(8,619,921)</u>	<u>(263,436)</u>
<b>Total assets less current liabilities</b>		<u>38,740,823</u>	<u>55,250,702</u>
Creditors: amounts falling due after more than one year	18	(23,335,419)	(19,120,560)
<b>Net assets</b>		<u><u>15,405,404</u></u>	<u><u>36,130,142</u></u>
<b>Capital and reserves</b>			
Called up share capital	20	124	124
Share premium account	21	39,947,333	39,947,334
Profit and loss account brought forward		(3,817,316)	-
Loss for the year		(20,724,737)	(3,817,316)
		<u>(24,542,053)</u>	<u>(3,817,316)</u>
Profit and loss account carried forward		<u>15,405,404</u>	<u>36,130,142</u>

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**ACOUSTIC MARKETING UK, LTD**  
**REGISTERED NUMBER: 12046718**

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**COMPANY STATEMENT OF FINANCIAL POSITION (CONTINUED)**  
**AS AT 30 JUNE 2021**

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The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

**Elmer Andy Lai**  
Director

Date: 22 December 2021

The notes on pages 22 to 41 form part of these financial statements.

ACOUSTIC MARKETING UK, LTD

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2021

	Called up share capital	Share premium account	Foreign exchange reserve	Profit and loss account	Equity attributable to owners of parent Company
	\$	\$	\$	\$	\$
At 1 July 2020	124	40,057,893	-	(3,524,244)	36,533,773
<b>Comprehensive income for the year</b>					
Loss for the year	-	-	-	(21,663,337)	(21,663,337)
Currency translation differences	-	-	(38,407)	-	(38,407)
<b>Total comprehensive income for the year</b>	-	-	(38,407)	(21,663,337)	(21,701,744)
<b>At 30 June 2021</b>	<b>124</b>	<b>40,057,893</b>	<b>(38,407)</b>	<b>(25,187,581)</b>	<b>14,832,029</b>
				<b>Non-controlling interests</b>	<b>Total equity</b>
				\$	\$
At 1 July 2020				98	36,533,871
<b>Comprehensive income for the year</b>					
Loss for the year				712	(21,662,625)
Currency translation differences				-	(38,407)
<b>Total comprehensive income for the year</b>				712	(21,701,032)
<b>At 30 June 2021</b>				<b>810</b>	<b>14,832,839</b>

The notes on pages 22 to 41 form part of these financial statements.

ACOUSTIC MARKETING UK, LTD

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2020

	Called up share capital \$	Share premium account \$	Profit and loss account \$	Equity attributable to owners of parent Company \$	Non-controlling interests \$
<b>Comprehensive income for the period</b>					
Loss for the period	-	-	(3,524,244)	(3,524,244)	98
<b>Total comprehensive income for the period</b>	-	-	(3,524,244)	(3,524,244)	98
Shares issued during the period	124	40,057,893	-	40,058,017	-
<b>Total transactions with owners</b>	124	40,057,893	-	40,058,017	-
<b>At 30 June 2020</b>	124	40,057,893	(3,524,244)	36,533,773	98
					<b>Total equity \$</b>
<b>Comprehensive income for the period</b>					
Loss for the period					(3,524,146)
<b>Total comprehensive income for the period</b>					(3,524,146)
Shares issued during the period					40,058,017
<b>Total transactions with owners</b>					40,058,017
<b>At 30 June 2020</b>					36,533,871

The notes on pages 22 to 41 form part of these financial statements.

ACOUSTIC MARKETING UK, LTD

COMPANY STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2021

	Called up share capital	Share premium account	Profit and loss account	Total equity
	\$	\$	\$	\$
At 1 July 2020	124	39,947,334	(3,817,316)	36,130,142
<b>Comprehensive income for the period</b>				
Loss for the year	-	-	(20,724,737)	(20,724,737)
<b>Total comprehensive income for the year</b>	-	-	(20,724,737)	(20,724,737)
<b>Contributions by and distributions to owners</b>				
Shares issued during the year	-	(1)	-	(1)
<b>Total transactions with owners</b>	-	(1)	-	(1)
<b>At 30 June 2021</b>	<b>124</b>	<b>39,947,333</b>	<b>(24,542,053)</b>	<b>15,405,404</b>

The notes on pages 22 to 41 form part of these financial statements.

ACOUSTIC MARKETING UK, LTD

COMPANY STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2020

	Called up share capital \$	Share premium account \$	Profit and loss account \$	Total equity \$
<b>Comprehensive income for the period</b>				
Loss for the period	-	-	(3,817,316)	(3,817,316)
<b>Total comprehensive income for the period</b>	-	-	(3,817,316)	(3,817,316)
<b>Contributions by and distributions to owners</b>				
Shares issued during the period	124	39,947,334	-	39,947,458
<b>Total transactions with owners</b>	124	39,947,334	-	39,947,458
<b>At 30 June 2020</b>	<b>124</b>	<b>39,947,334</b>	<b>(3,817,316)</b>	<b>36,130,142</b>

The notes on pages 22 to 41 form part of these financial statements.

ACOUSTIC MARKETING UK, LTD

CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2021

	2021 \$	2020 \$
<b>Cash flows from operating activities</b>		
Loss for the financial year	(21,662,625)	(3,524,146)
<b>Adjustments for:</b>		
Amortisation of intangible assets	11,348,916	3,069,065
Depreciation of tangible assets	307,110	11,387
Interest paid	1,742,237	1,792,418
Interest received	(706)	(638)
Taxation charge	(2,951,033)	(158,689)
(Increase) in debtors	(14,779,570)	(15,769,841)
(Increase) in amounts owed by groups	(50,464,928)	(8,300,812)
Increase in creditors	12,973,795	7,462,155
Increase in amounts owed to groups	71,916,394	19,820,759
Corporation tax (paid)/received	(44,199)	-
Revaluation	(2,062)	-
<b>Net cash generated from operating activities</b>	<b>8,383,329</b>	<b>4,401,658</b>
<b>Cash flows from investing activities</b>		
Purchase of tangible fixed assets	(1,085,386)	(799,238)
Interest received	706	638
<b>Net cash from investing activities</b>	<b>(1,084,680)</b>	<b>(798,600)</b>
<b>Cash flows from financing activities</b>		
Issue of ordinary shares	-	(306,292)
Interest paid	(1,742,237)	-
<b>Net cash used in financing activities</b>	<b>(1,742,237)</b>	<b>(306,292)</b>
<b>Net increase in cash and cash equivalents</b>	<b>5,556,412</b>	<b>3,296,766</b>
Cash and cash equivalents at beginning of year	3,296,766	-
<b>Cash and cash equivalents at the end of year</b>	<b>8,853,178</b>	<b>3,296,766</b>
<b>Cash and cash equivalents at the end of year comprise:</b>		
Cash at bank and in hand	8,853,178	3,296,766
	<b>8,853,178</b>	<b>3,296,766</b>

The notes on pages 22 to 41 form part of these financial statements.

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**ACOUSTIC MARKETING UK, LTD**

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**CONSOLIDATED ANALYSIS OF NET DEBT  
FOR THE YEAR ENDED 30 JUNE 2021**

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	At 1 July 2020	Cash flows	At 30 June
	\$	\$	2021
			\$
Cash at bank and in hand	3,296,766	5,556,412	8,853,178
	<u>3,296,766</u>	<u>5,556,412</u>	<u>8,853,178</u>

The notes on pages 22 to 41 form part of these financial statements.



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021**

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**1. General information**

Acoustic Marketing UK, Ltd is a private company limited by share capital, incorporated in England and Wales on 12 June 2019, registration number 12046718. The address of the registered office is C/O Tmf Group 8th Floor, 20 Farringdon Street, London, United Kingdom, EC4A 4AB.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Group's accounting policies (see note 3).

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of comprehensive income in these financial statements.

The following principal accounting policies have been applied:

**2.2 Basis of consolidation**

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Statement of financial position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

**2.3 Going concern**

The directors considers that it is appropriate for the accounts to be prepared on a going concern basis for this period.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021

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**2. Accounting policies (continued)**

**2.4 Foreign currency translation**

**Functional and presentation currency**

The Company's functional and presentational currency is USD.

**Transactions and balances**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

On consolidation, the results of overseas operations are translated into US dollar at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

**2.5 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

**Rendering of services**

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

**2.6 Operating leases: the Group as lessee**

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021

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**2. Accounting policies (continued)**

**2.7 Interest income**

Interest income is recognised in profit or loss using the effective interest method.

**2.8 Finance costs**

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

**2.9 Pensions**

**Defined contribution pension plan**

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Group in independently administered funds.

**2.10 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021

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2. Accounting policies (continued)

2.11 Intangible assets

**Goodwill**

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Consolidated statement of comprehensive income over its useful economic life.

**Other intangible assets**

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Computer software	-	7	years based on anticipated post tax earnings
Goodwill	-	10	years on a straight line basis

2.12 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Leasehold improvements	- 15 years
Fixtures and fittings	- 7 years
Computer equipment	- 3 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021

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**2. Accounting policies (continued)**

**2.13 Valuation of investments**

Investments in unlisted Group shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Consolidated statement of comprehensive income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

**2.14 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**2.15 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

**2.16 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**2.17 Provisions for liabilities**

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

**2.18 Financial instruments**

The Group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021

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**3. Judgments in applying accounting policies and key sources of estimation uncertainty**

In the application of the company's accounting policies management is required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily ascertainable from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual outcomes may differ from these estimates.

The estimates and underlying assumptions are reviewed on a continuing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised.

The key areas of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described below:

**Prepayments & Accrued Expenditure**

The company includes a provision for invoices which are yet to be received from and amounts paid in advance to suppliers. These provisions are estimated based upon the expected values of the invoices which are issued and services received following the period end.

**Deferred Revenue**

The company includes a provision for contracts signed within the period but provided after the period end. The value of the services provided after the period end is an estimate based upon the total value and the full term of the contract.

**Amortisation**

The company amortises its intangible assets, in line with accounting standards. The directors have made an estimate of the expected economic life of the intangible assets and this estimate has been used set the method and rate of amortisation.

**Impairment**

The directors have made an estimate as to the likelihood of impairment of any intangible assets or investments. This is based upon the directors expectations of the future prospects of the investments and the continuing value to the company of the intangible assets.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021**

**4. Turnover**

An analysis of turnover by class of business is as follows:

	2021 \$	2020 \$
Sales - subscriptions	80,906,207	16,877,514
Sales - perpetual	3,311,653	482,137
Interco (parent)	7,868,674	116,822
	<u>92,086,534</u>	<u>17,476,473</u>

Analysis of turnover by country of destination:

	2021 \$	2020 \$
United Kingdom	40,616,656	8,742,928
Rest of Europe	20,444,910	3,009,034
Rest of the world	31,024,968	5,724,511
	<u>92,086,534</u>	<u>17,476,473</u>

**5. Other operating income**

	2021 \$	2020 \$
Other operating income	42,360	-
	<u>42,360</u>	<u>-</u>

**6. Operating loss**

The operating loss is stated after charging:

	2021 \$	2020 \$
Exchange differences	(295,334)	(707)
Other operating lease rentals	<u>1,343,810</u>	<u>146,011</u>

ACOUSTIC MARKETING UK, LTD

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021

7. Auditors' remuneration

Fees payable to the Group's auditor and its associates in respect of:

Audit-related assurance services	45,000	43,290
All other services	6,500	6,184
	<u>51,500</u>	<u>49,474</u>

8. Employees

Staff costs were as follows:

	Group 2021 \$	Group 2020 \$	Company 2021 \$	Company 2020 \$
Wages and salaries	37,859,249	7,430,612	14,681,078	3,324,763
Social security costs	4,639,686	657,000	1,629,225	377,654
Cost of defined contribution scheme	1,922,921	330,906	1,304,223	251,068
	<u>44,421,856</u>	<u>8,418,518</u>	<u>17,614,526</u>	<u>3,953,485</u>

The average monthly number of employees, including the directors, during the year was as follows:

	Group 2021 No.	Group 2020 No.	Company 2021 No.	Company 2020 No.
Development	169	172	39	1
Finance	11	5	6	3
HR	4	2	1	1
IT	3	1	-	-
Marketing	-	3	-	2
Sales	140	193	65	86
Legal	2	-	2	-
	<u>329</u>	<u>376</u>	<u>113</u>	<u>93</u>





ACOUSTIC MARKETING UK, LTD

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021

9. Interest receivable

	2021 \$	2020 \$
Interest receivable from group companies	706	638
	<u>706</u>	<u>638</u>

10. Interest payable and similar expenses

	2021 \$	2020 \$
Loans from group undertakings	1,742,237	1,792,418
	<u>1,742,237</u>	<u>1,792,418</u>

11. Taxation

	2021 \$	2020 \$
<b>Corporation tax</b>		
Current tax on profits for the year	26,026	-
	<u>26,026</u>	<u>-</u>
<b>Foreign tax</b>		
Foreign tax on income for the year	(18,173)	70,886
	<u>(18,173)</u>	<u>70,886</u>
<b>Total current tax</b>	<u>7,853</u>	<u>70,886</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	(2,958,886)	(229,575)
	<u>(2,958,886)</u>	<u>(229,575)</u>
<b>Total deferred tax</b>	<u>(2,951,033)</u>	<u>(158,689)</u>
<b>Taxation on loss on ordinary activities</b>	<u>(2,951,033)</u>	<u>(158,689)</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021**

**11. Taxation (continued)****Factors affecting tax charge for the year/period**

The tax assessed for the year/period is higher than (2020 - *higher than*) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	2021 \$	2020 \$
Loss on ordinary activities before tax	<u>(24,613,658)</u>	<u>(3,682,835)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	(4,676,595)	(699,739)
<b>Effects of:</b>		
Non-tax deductible amortisation of goodwill and impairment	1,699,661	534,812
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	291	4,376
Higher rate taxes on overseas earnings	25,610	1,862
<b>Total tax charge for the year/period</b>	<u><u>(2,951,033)</u></u>	<u><u>(158,689)</u></u>

**Factors that may affect future tax charges**

There were no factors that may affect future tax charges.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021**

**12. Intangible assets****Group**

	Computer software	Goodwill	Total
	\$	\$	\$
<b>Cost</b>			
At 1 July 2020	12,200,000	45,421,564	57,621,564
At 30 June 2021	12,200,000	45,421,564	57,621,564
<b>Amortisation</b>			
At 1 July 2020	703,109	2,365,956	3,069,065
Charge for the year on owned assets	4,630,559	6,718,357	11,348,916
At 30 June 2021	5,333,668	9,084,313	14,417,981
<b>Net book value</b>			
At 30 June 2021	6,866,332	36,337,251	43,203,583
<b>At 30 June 2020</b>	11,496,891	43,055,608	54,552,499

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021

## 12. Intangible assets (continued)

## Company

	Computer software \$	Goodwill \$	Total \$
<b>Cost</b>			
At 1 July 2020	12,200,000	32,133,618	44,333,618
At 30 June 2021	12,200,000	32,133,618	44,333,618
<b>Amortisation</b>			
At 1 July 2020	703,109	2,111,694	2,814,803
Charge for the year	4,630,559	4,315,030	8,945,589
At 30 June 2021	5,333,668	6,426,724	11,760,392
<b>Net book value</b>			
At 30 June 2021	6,866,332	25,706,894	32,573,226
At 30 June 2020	11,496,891	30,021,924	41,518,815

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021**

**13. Tangible fixed assets****Group**

	Leasehold improvements	Fixtures and fittings	Computer equipment	Total
	\$	\$	\$	\$
<b>Cost or valuation</b>				
At 1 July 2020	349,754	246,385	203,099	799,238
Additions	132,757	4,204	948,425	1,085,386
At 30 June 2021	482,511	250,589	1,151,524	1,884,624
<b>Depreciation</b>				
At 1 July 2020	2,920	522	7,945	11,387
Charge for the year on owned assets	30,432	35,799	240,879	307,110
At 30 June 2021	33,352	36,321	248,824	318,497
<b>Net book value</b>				
At 30 June 2021	449,159	214,268	902,700	1,566,127
<i>At 30 June 2020</i>	346,834	245,863	195,154	787,851

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021

## 13. Tangible fixed assets (continued)

## Company

	Leasehold improvements \$	Fixtures and fittings \$	Computer equipment \$	Total \$
<b>Cost or valuation</b>				
At 1 July 2020	349,754	246,385	7,694	603,833
Additions	132,757	4,204	878,359	1,015,320
At 30 June 2021	482,511	250,589	886,053	1,619,153
<b>Depreciation</b>				
At 1 July 2020	2,920	522	214	3,656
Charge for the year on owned assets	30,432	35,799	156,894	223,125
At 30 June 2021	33,352	36,321	157,108	226,781
<b>Net book value</b>				
At 30 June 2021	449,159	214,268	728,945	1,392,372
At 30 June 2020	346,834	245,863	7,480	600,177

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021**

**14. Fixed asset investments****Company**

**Investments in  
subsidiary  
companies  
\$**

**Cost or valuation**

At 1 July 2020

13,395,146

At 30 June 2021

13,395,146**Subsidiary undertakings**

The following were subsidiary undertakings of the Company:

<b>Name</b>	<b>Registered office</b>	<b>Holding</b>
Acoustic Marketing Services Arentina SA	Argentina	100 %
Acoustic Marketing Australia Pty Ltd	Australia	100 %
Acoustic Marketing do Brasil Ltda.	Brazil	100 %
Acoustic Marketing Canada Ltd.	Canada	100 %
Acoustic Marketing Chile SpA	Chile	100 %
Acoustic Technology (Shanghai) Co., Ltd.	China	100 %
Acoustic Marketing Colombia S.A.S.	Colombia	100 %
Acoustic Marketing France SASu	France	100 %
Acoustic Marketing Germany GmbH	Germany	100 %
Acoustic Marketing India Private Limited	India	99 %
Acoustic Marketing Japan GK	Japan	100 %
Acoustic Marketing Poland, Sp. z.o.o.	Poland	100 %
Acoustic Marketing RUS Limited Liability Company	Russia	99 %
Acoustic Marketing Singapore PTE. Ltd.	Singapore	100 %
Acoustic Marketing Spain, Sociedad Limitada	Spain	100 %



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**ACOUSTIC MARKETING UK, LTD**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021**

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**Subsidiary undertakings (continued)**

The aggregate of the share capital and reserves as at 30 June 2021 and the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

<b>Name</b>	<b>Aggregate of share capital and reserves \$</b>	<b>Profit/(Loss) \$</b>
Acoustic Marketing Services Arentina SA	(45,576)	(86,423)
Acoustic Marketing Australia Pty Ltd	1,488,329	(553,613)
Acoustic Marketing do Brasil Ltda.	182,644	45,673
Acoustic Marketing Canada Ltd.	1,236,278	(774,077)
Acoustic Marketing Chile SpA	1,098,959	924,677
Acoustic Technology (Shanghai) Co., Ltd.	912,154	(38,606)
Acoustic Marketing Colombia S.A.S.	88,217	36,299
Acoustic Marketing France SASu	1,015,437	(476,414)
Acoustic Marketing Germany GmbH	1,190,239	(623,943)
Acoustic Marketing India Private Limited	2,431,606	976,630
Acoustic Marketing Japan GK	478,477	(326,544)
Acoustic Marketing Poland, Sp. z o.o.	734,396	587,645
Acoustic Marketing RUS Limited Liability Company	216,598	22,518
Acoustic Marketing Singapore PTE. Ltd.	958,840	(387,274)
Acoustic Marketing Spain, Sociedad Limitada	874,389	(264,455)

Not all subsidiaries have coterminous period end dates.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021**

**15. Debtors**

	<b>Group 2021 \$</b>	<i>Group 2020 \$</i>	<b>Company 2021 \$</b>	<i>Company 2020 \$</i>
<b>Due after more than one year</b>				
Prepayments and accrued income	947,592	-	436,236	-
	<u>947,592</u>	<u>-</u>	<u>436,236</u>	<u>-</u>
	<b>Group 2021 \$</b>	<i>Group 2020 \$</i>	<b>Company 2021 \$</b>	<i>Company 2020 \$</i>
<b>Due within one year</b>				
Trade debtors	13,415,686	6,882,441	4,550,645	3,544,212
Amounts owed by group undertakings	70,896,902	16,294,815	48,565,460	10,710,391
Other debtors	2,230,731	748,955	582,326	251,247
Prepayments and accrued income	1,824,241	144,442	1,189,512	124,890
Deferred taxation	3,188,461	229,575	3,188,461	229,575
	<u>91,556,021</u>	<u>24,300,228</u>	<u>58,076,404</u>	<u>14,860,315</u>

**16. Cash and cash equivalents**

	<b>Group 2021 \$</b>	<i>Group 2020 \$</i>	<b>Company 2021 \$</b>	<i>Company 2020 \$</i>
Cash at bank and in hand	8,853,178	3,296,766	1,682,198	1,177,753
	<u>8,853,178</u>	<u>3,296,766</u>	<u>1,682,198</u>	<u>1,177,753</u>

ACOUSTIC MARKETING UK, LTD

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021

17. Creditors: Amounts falling due within one year

	<b>Group</b>	<i>Group</i>	<b>Company</b>	<i>Company</i>
	<b>2021</b>	<i>2020</i>	<b>2021</b>	<i>2020</i>
	<b>\$</b>	<i>\$</i>	<b>\$</b>	<i>\$</i>
Trade creditors	996,266	333,158	529,174	215,651
Amounts owed to group undertakings	87,718,293	19,820,759	59,632,148	12,768,978
Other taxation and social security	1,236,585	686,753	-	178,608
Other creditors	27,092	56,999	-	40,663
Accruals and deferred income	17,980,009	6,385,244	8,653,437	3,097,604
	<u>107,958,245</u>	<u>27,282,913</u>	<u>68,814,759</u>	<u>16,301,504</u>
	<b>Group</b>	<i>Group</i>	<b>Company</b>	<i>Company</i>
	<b>2021</b>	<i>2020</i>	<b>2021</b>	<i>2020</i>
	<b>\$</b>	<i>\$</i>	<b>\$</b>	<i>\$</i>
PAYE/NI control	307,693	96,822	-	768
VAT control	928,892	589,931	-	177,840
	<u>1,236,585</u>	<u>686,753</u>	<u>-</u>	<u>178,608</u>

18. Creditors: Amounts falling due after more than one year

	<b>Group</b>	<i>Group</i>	<b>Company</b>	<i>Company</i>
	<b>2021</b>	<i>2020</i>	<b>2021</b>	<i>2020</i>
	<b>\$</b>	<i>\$</i>	<b>\$</b>	<i>\$</i>
Amounts owed to group undertakings	23,335,419	19,120,560	23,335,419	19,120,560
	<u>23,335,419</u>	<u>19,120,560</u>	<u>23,335,419</u>	<u>19,120,560</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021**

**19. Deferred taxation****Group**

	2021 \$	2020 \$
At 1 July 2020	229,575	-
Charged to profit or loss	2,958,886	229,575
<b>At 30 June 2021</b>	<b>3,188,461</b>	<b>229,575</b>

**Company**

	2021 \$	2020 \$
At beginning of year	229,575	-
Charged to profit or loss	2,958,886	229,575
<b>At 30 June 2021</b>	<b>3,188,461</b>	<b>229,575</b>

The deferred tax asset is made up as follows:

	<b>Group 2021 \$</b>	<i>Group 2020 \$</i>	<b>Company 2021 \$</b>	<i>Company 2020 \$</i>
Accelerated capital allowances	(126,051)	(114,034)	(126,051)	(114,034)
Tax losses carried forward	3,314,512	343,609	3,314,512	343,609
	<b>3,188,461</b>	<i>229,575</i>	<b>3,188,461</b>	<i>229,575</i>

**20. Share capital**

	2021 \$	2020 \$
<b>Allotted, called up and fully paid</b>		
100 (2020 - 100) Ordinary shares of \$1.24 each	<b>124</b>	<b>124</b>

**NOTES TO THE FINANCIAL STATEMENTS  
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**21. Reserves****Share premium account**

The share premium account is non-distributable.

**Profit and loss account**

The profit and loss account is fully distributable.

**22. Pension commitments**

The Group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to \$330,906 (Company: \$251,068).

**23. Commitments under operating leases**

At 30 June 2021 the Group and the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	<b>Group 2021 \$</b>	<i>Group 2020 \$</i>	<b>Company 2021 \$</b>	<i>Company 2020 \$</i>
Not later than 1 year	<b>522,369</b>	<i>778,003</i>	<b>299,768</b>	<i>268,545</i>
Later than 1 year and not later than 5 years	<b>892,423</b>	<i>855,859</i>	<b>460,448</b>	<i>719,653</i>
	<u><b>1,414,792</b></u>	<u><i>1,633,862</i></u>	<u><b>760,216</b></u>	<u><i>988,198</i></u>

**24. Related party transactions**

The amounts owing to/from group undertakings in notes 15,17 & 18 all relate to Acoustic, L.P., the parent company. All transactions were carried out at market rate.

**25. Controlling party**

The parent company is Acoustic, L.P. an entity based in Delaware, USA.

The company has no ultimate controlling party. The Acoustic group is owned by a number of investment funds, all of which ultimately have no shareholders holding in excess of 10%.



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