1. Company details

Name of entity:	Symbio Holdings Limited
ABN:	37 118 699 853
Reporting period:	For the year ended 30 June 2023
Previous period:	For the year ended 30 June 2022

2. Results for announcement to the market

				$'000
Revenue from ordinary activities - continuing operations	up	4%	to	210,777
Revenue from ordinary activities - discontinued operations				-
Profit after tax from ordinary activities attributable to members of Symbio Holdings Limited - continuing operations	down	(69%)	to	1,768
Profit after tax from ordinary activities attributable to members of Symbio Holdings Limited - discontinued operations				-

Dividends

	Amount per security Cents	Franked amount per security Cents
Final dividend declared for the year ended 30 June 2023 paid on 4 October 2023	1.70	1.70
Interim dividend for the year ended 30 June 2023 paid on 30 March 2023	1.70	1.70

FY2023 Final dividend eligibility:

Record date	4 September 2023
Payment date	4 October 2023

Comments
The profit for the Group, after providing for income tax amounted to $1,768,000 (2022: $14,654,000 (profit from continuing operations)).

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	81.66	93.33

The calculation of net tangible assets excludes goodwill and intangibles held in assets classified as held for sale on the consolidated statement of financial position. Right-of-use assets, deferred tax asset and deferred tax liability have been included in the calculation of net tangible assets.

4. Control gained over entities

On 31 January 2023, the Group purchased Intrado Australia's cisco-focused end-to-end cloud calling, contact centre and collaboration business for a total of $5,632,000. There is no legal entity which has been acquired through the transaction (refer to note 36 of the current year financial report).

5. Loss of control over entities

Not applicable.

6. Dividends

Current period

	Amount per security Cents	Franked amount per security Cents
Final dividend declared for the year ended 30 June 2023 paid on 4 October 2023	1.70	1.70
Interim dividend for the year ended 30 June 2023 paid on 30 March 2023	1.70	1.70

Previous period

	Amount per security Cents	Franked amount per security Cents
Interim dividend for the year ended 30 June 2022 paid on 31 March 2022	3.30	3.30
Final dividend for the year ended 30 June 2022 paid on 4 October 2022	1.70	1.70
Special dividend for the year ended 30 June 2022 paid on 18 October 2022	3.00	3.00

7. Dividend reinvestment plans

A dividend reinvestment plan did not operate during the current financial year.

8. Details of associates and joint venture entities

Not applicable.

9. Foreign entities

Details of origin of accounting standards used in compiling the report:

Not applicable.

10. Audit qualification or review

Details of audit/review dispute or qualification (if any):

The financial statements have been audited and an unmodified opinion has been issued.

11. Attachments

Details of attachments (if any):

The Annual Report of Symbio Holdings Limited for the year ended 30 June 2023 is attached.

symbio™

Annual Report

2023

Our Vision

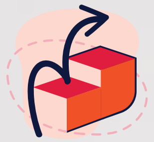
100 million phone numbers on our network by 2030

Our Mission

Symbio is a software company changing the way the world communicates

Our Values

We start and end with the customer



We do it better every day

We are building the future

We are stronger together

We are honest and transparent

We are courageous

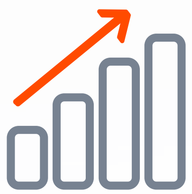
Our Strategy

Expanding in Asia

Deliver our unique capabilities into high-growth regions across Asia-Pacific to increase our total addressable market (TAM) and secure long-term, profitable growth.

World Class Software

Transform customer experience through automation and self-service by leveraging our IP to deliver no-code/ low-code tools and APIs.



Market Strength

Build scale through organic growth and acquisitions across our operating geographies, while continuing to accelerate growth in Australia and New Zealand, as we look to increase market share and revenue.

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Underlying EBITDA[1]

$27.7M

Underlying NPATA[2]

$12.2M

Recurring Revenue

$121.3M

Recurring Gross Margin

$69.4M

NRR: Top 10 Customers

105%

Phone Numbers

7.3m

1. Underlying EBITDA excludes restructure and impairment costs, gain or loss on sales of businesses, net interest, share scheme and earn-out expenses, acquisition costs, tax, depreciation and amortisation.
2. Underlying NPATA excludes amortisation of acquired customer contracts, acquired software and brands, share scheme costs, tax affected restructure and impairment costs, and tax affected gain or loss on sale of businesses.
3. NRR (Net Revenue Retention) rate is FY23 revenue compared to FY22 revenue of Symbio's top 10 customers (excluding those that are minutes trading only). These customers combined represent approximately 22% of FY23 revenue. No single customer is more than 5.4% of revenue.

Our FY2023 achievements

People

Received an 82% positive engagement score, +10% on FY22 results, with 94% staff participation.

Awarded Ellect 4-star gold status for outstanding Gender Equality in Business.

Developed our Global Diversity, Equity & Inclusion (DEI) framework to support Symbio's global strategic vision.

Planet

Established a Carbon emissions baseline and set reduction targets backed by initiatives and action plan.

Adopted green computing principles – both in the replacement of legacy equipment, leveraging newer, more energy efficient platforms and how we can design our software more efficiently, requiring less power to operate.

Continued our efforts to reduce environmental impact from our business, offsetting travel to minimise the impact our business has on the environment.

Profit

Launched our domestic Malaysian network, almost doubling our total addressable market (TAM).

Continued to see expanding growth in the mobile product suite, including data pooling plans and 5G services.

Established the South-East Asian (SEA) Hub, providing multi-country access to customers through one interconnect.

Acquired Intrado Australia's Cisco-focused end-to-end Cloud Calling, Contact Centre and Collaboration business, adding 60 leading Enterprise and Government customers and approximately 60,000 Cisco collaboration seats.

Launched Operator Connect for Microsoft Teams solution in Australia, New Zealand, and Singapore, expanding our collaborative software offering and one of only a handful of Microsoft partners operating across all of these markets.

Deployed self-service portals in each division to support customer demand for being "future of work" ready, providing no-code/low-code tools that allow customers to self-serve.

KPIs

↑11%

Increase in phone numbers on the Symbio network in FY23 through our CPaaS division.

↑10%

SIOs increase in FY23 in our TaaS division.

↑143%

Grew our seats by 143% in FY23 in the UCaaS division through organic and acquisition growth.

A message to shareholders

Anne Ward
Chairman

Rene Sugo
Co-Founder & Group CEO

Dear Shareholders,

The 2023 financial year saw a global shift in economic conditions and priorities for customers and investors alike.

In December we announced a decrease in our expected FY23 EBITDA due to the rapidly evolving external environment in the global tech and software sector.

We responded quickly to the challenges of the changing environment, reducing expenditure across the business. We reduced capital expenditure by $2 million and reduced operating expenditure in the areas of travel, marketing, and recruitment along with further optimisations across the business. While implementing these cost reductions, the team has also managed to execute and deliver the bulk of FY23 strategic projects aimed at positioning Symbio for a successful FY24 and beyond.

Despite the headwinds of these challenges, we have retained all strategic customers, negotiated long term renewals, and increased Symbio's market share in the face of cost pressures and increased competition.

Our strategic vision has not changed, we are stronger than ever – profitable, debt free and continuing to deliver on our Vision 2030 plans as we expand further into Asia.

Domestic market overview

Through the challenges and setbacks our Australian and New Zealand business has performed in line with expectations, albeit at a slower pace given the softness of the economy.

In CPaaS we've seen an increase of 11% in numbers on our network as existing customers consolidate services, choosing Symbio based on the level of service and trust they have come to expect.

The UCaaS acquisition of Intrado's Cloud Communications business saw a 143% increase in seats, adding 60 leading Enterprise and Government customers and approximately 60,000 Cisco collaboration seats, cementing our long-standing partnership with Cisco.

In TaaS, 5G coverage and nbn™ accessibility has enabled and empowered regional growth as we've continued to see a rise in regional migration, supporting workplace flexibility created by Symbio-powered tools that enable the "The Future of Work" megatrend.

Our home markets remain a key focus for us as we continue to invest, defend, and grow local market share, which is approaching 10% of issued fixed line phone numbers.

Asian market expansion

Our Asian expansion continued to advance this year, and we were able to almost double our total addressable market (TAM) by launching our domestic Malaysian network in record time.

We also launched the South-East Asian (SEA) Hub this year, providing multi-country interconnect access to customers in both Singapore and Malaysia. The SEA Hub will offer Symbio's proprietary intellectual property to our customers, providing cost savings and a compelling value proposition to customers who are looking to enter both markets and grow in a rapidly digitising region.

We are pleased with the growing momentum in Singapore. We now have over 100 wholesale customers either contracted or engaged in the sales cycle for Singapore. Phone numbers on network are growing quickly and there is a strong pipeline of committed orders as customers look to port over existing inventory. Symbio is now confident of reaching break-even in Singapore in FY24.

Taiwan remains a key investment area, with keen interest being expressed by our global customers. The plan for market entry by acquisition changed due to the inability to find an acquisition which met our disciplined value parameters. We are now planning on an organic entry to Taiwan utilising our SEA Hub, as we remain committed to entering this key market.

While we remain focused on achieving profitability in the currently announced markets, we also look beyond the horizon to Japan, South Korea, and Vietnam as part of our Asian expansion strategy.

ESG achievements

On the ESG front, we are proud to have been awarded the prestigious 4-star certification for Gender Diversity, Equity, and Inclusion from Ellect, a trusted global auditing firm. Receiving the award further affirms our continued efforts in providing a rich, inclusive, global workplace.

We also delivered on our promise of developing and formalising our ESG strategy based on science-based targets. FY23 saw us determine the baseline of our carbon footprint for Scopes 1, 2 and 3 emissions and identify initiatives to reduce Scope 1 and 2 emissions by 42% by 2030.

Executive team and staff

Our executive team has been hand-picked and nurtured over the last 10 years, with each of the divisional CEOs bringing a wealth of global Tier 1 industry experience.

Specialists within their areas of expertise and responsibilities, they share a strong alignment on our vision and goals, demonstrated by our staff engagement score of 82% and annualised staff churn at below 8% per annum.

Symbio has built a highly engaged team of staff with the skills, motivation, and expertise to deliver our ambitious strategic vision.

Outlook

The strength of our business, unique value proposition, and clear strategic vision continue to drive business outcomes and position Symbio for long-term recurring revenue and margin growth.

We continue to implement strategic projects that will allow us to reduce our cost base, creating further efficiencies that will set us up to return to EBITDA growth in FY24. The board and management are committed to maintaining a flat cost base across operating and capital expenses for the medium term.

On 1 August 2023 the company announced it had received a non-binding indicative proposal from Superloop (ASX: SLC) to acquire all the shares in Symbio via a scheme of arrangement. The Symbio Board believes there is sufficient commercial merit in the indicative proposal to enter into an exclusive period of due diligence. The Symbio Board notes that it would only progress the indicative proposal on a disciplined basis such that any transaction would be in the best interest of Symbio's shareholders. The Board will update shareholders as appropriate.

Thank you to all our board, executive team, shareholders, customers, and staff. We appreciate your trust and look forward to updating you on our progress throughout the year as we forge ahead.

Anne Ward
Chairman

Rene Sugo
Co-Founder & CEO

About us

For over 20 years, Symbio has been changing the way the world communicates.

Symbio is a home-grown Australian software company providing Tier 1 voice, messaging, and cloud-based communication services, worldwide.

Symbio is trusted by some of the largest global brands, including Microsoft and Cisco.

aircall Microsoft cisco Google twilio RingCentral zoom

Ever held a meeting online? Contacted a driver through a ride-share app? Or collaborated virtually?

Chances are you've used Symbio's software or services.

Since our inception we have:

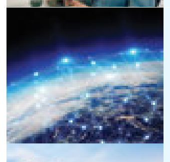
Businesses acquired	10
Countries launched in	4
Global staff	530+

We provide services to:

Partners	500+
Countries	100+
Minutes of calls a year carried	9B+

And we are just getting started, as we continue to expand into Asia, with **a Vision to see 100 million numbers on our network by 2030**.

Our experienced leadership team continue to pave the way for innovation, guided by global megatrends.

		Customer Challenge	Symbio Strategy
	**Future of Work**	Need for technology that enables worker productivity and collaboration	Partnering with UCaaS market leaders including Cisco and Microsoft
	**Enterprise Cloud**	Need to deliver modern, cloud-based communications	Telecom connectivity with the speed, scale and flexibility of software
	**Emerging Asia**	Need to connect global workforce, and serve high-growth Asian markets	Become the preferred supplier for calling and messaging in Asia-Pacific

We continue to build a robust business with long-term customers, operating in high-growth markets across our three business divisions.

	Communication Platform as a Service (CPaaS)	Telco as a Service (TaaS)	Unified Communication as a Service (UCaaS)
Description	Provides access to phone numbers, voice call termination and messaging, enabling large software companies and service providers to deliver sophisticated voice services	Provides a marketplace for turnkey telecoms services, enabling small, localised service providers to offer a complete suite of services to their customers	Provides quick and easy access to cloud-based enterprise infrastructure from partners like Microsoft, Cisco and Twilio
Customers	Software companies & Global Telecoms	Retail telcos & Managed Service Providers	Enterprise & Government
Products	Numbers & porting, call termination & messaging	White label telecom, billing software, management software	Microsoft Teams, Cisco Webex, Contact Centre
Division KPI	7.3M Phone Numbers (30-Jun-23)	180K Services in Operation (30-Jun-23)	144K Seats (30-Jun-23)
FY23 Recuring Revenue & Gross Margin contribution to Group (%)	**Recuring Revenue** A$48.1M (40%) **Gross Margin** A$63M (64%)	**Recuring Revenue** A$59M (49%) **Gross Margin** A$26.6M (27%)	**Recuring Revenue** A$14.2M (11%) **Gross Margin** A$9.4M (9%)

We remain profitable, with no net debt and ample cash on hand to fund our future growth plans.

Delivering expansion into Asia

Strategy

Symbio's combination of proprietary voice, messaging and cloud communication services enable companies, governments, and global software companies to grow and scale.

Governed by global megatrends, the Asia-Pacific (APAC) region continues to represent a wide range of emerging economies with substantial addressable markets for Symbio and our customers.

Achievements

Launching Malaysia

Having obtained our application service provider license, we deployed our Malaysian domestic network and software stack in May 2023.

Several global communications leaders signed up to trial services while awaiting licensing. Dialpad, OpenText, Telnyx and DIDLogic are a few customers taking advantage of the growth opportunity created by Symbio's market entry.

South-East Asia (SEA) Hub

This year also saw the launch of our market-leading South-East Asia (SEA) Hub. By reducing costs associated with managing multiple interconnections, the Hub model allows Symbio clients to grow, connect and expand in a rapidly digitising region.

Doubling our market

Our entry into Malaysia has almost doubled our total addressable market (TAM), where we are already capturing market share, capitalising on our disruption of traditional telco services.

With a base of more than 8.8m businesses (> 5,000 foreign companies), and the government's continued drive to attract RM50b worth of digital economy investments by 2025, Malaysia remains a market with greenfield opportunities for the cloud communications services Symbio provides.

Singapore growth

Singapore remains on track to reach cash flow break-even by the end of FY24, doubling down on our core competency in providing and scaling cloud communications services to our global customers. Our pipeline continues to grow, with several large customers and partners porting into the region.

Opportunities

Taiwan

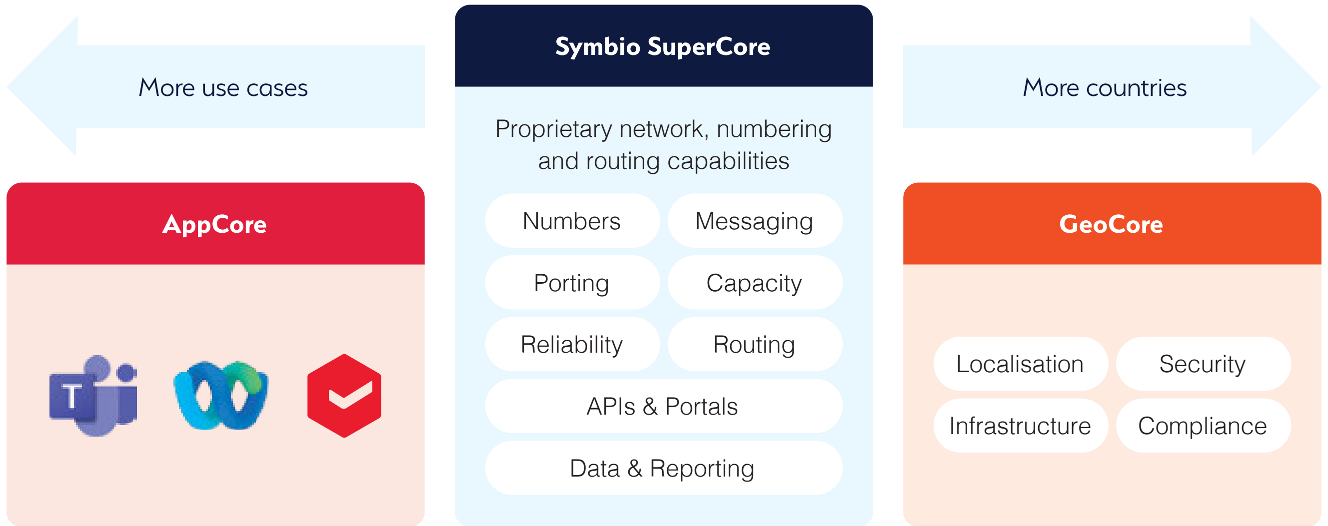
Taiwan remains a key investment region for Symbio's strategic customers, with keen interest being expressed by global players in the local economy. The plan for market entry by acquisition changed due to the inability to finalise the target transaction within suitable pricing parameters after completion of the due-diligence process. We are now looking to build a revised business case based on organic means, as we remain committed to entering this key market. We plan to announce detailed plans in the near future.

Asian expansion

While we are currently focused on achieving profitability in the markets above, Japan, South Korea, and Vietnam remain of interest as we look to continue our Asian expansion strategy, providing further opportunities for customers to grow into new markets.

> Symbio's local market expertise and on-the-ground presence proved instrumental in accelerating our Singapore market entry.
>
> **DID Logic, CPaaS customer**

World-class technology



Core Initiatives

The launch of Symbio's SuperCore, AppCore and GeoCore initiatives in FY22 laid the foundation for developing processes to maximise reuse and lower resultant operating and support costs across our business.

Throughout FY23 we have continued to lay that groundwork by decommissioning legacy infrastructure and software, rebuilding cloud-based architecture to realise efficiencies of scale and the associated cost benefits of the program. We will continue to benefit from these investments in FY24 and beyond.

Faster network deployment

Symbio was able to deploy its Malaysian network in under 12 months. This was a significant achievement, halving deployment and rollout time through efficiencies gained in our investment into our core programs and reusing infrastructure from our Singapore rollout.

Record uptime

We have continued to maintain an exceptionally high level of operating up time at 99.9%, whilst delivering even higher quality calls.

Security

A new security monitoring platform roll-out was completed this year across our public-facing and data-sensitive platforms, which has led to a reduction of potential threats. We will continue the roll-out in FY24/FY25 to remaining non-sensitive platforms, with further improvement across all aspects of security and privacy.

Artificial intelligence

Artificial Intelligence (AI) continues to disrupt ways of working, and we have adopted this tooling into Symbio's business practices. Earlier this year we launched the TaaS Customer Assist Portal, co-created with Servicely, leveraging machine learning to support customer requests and ticketing. By applying learning models to customer behavioural patterns, it allows us to provide a unique, personalised experience.

We will continue investigating use cases for AI-assisted processes throughout FY24 to support our strategic pillars of simplification, scale, and expansion – coupled with an intrinsic drive to lower operating costs and expand our ability to scale.

Private cloud deployment

FY24 will see the launch of our private cloud solution, codenamed Kakadu, which will bring further enhancements and dynamic capabilities to Symbio's SuperCore. These additional capabilities will allow us to run specific workloads privately, avoiding the usage-based cost models that public cloud services are governed by. Public cloud will remain an important technology element within our strategy, but our investment in Kakadu will enable us to select the most suitable operating platform to deliver our services, as cost effectively as possible.

CPaaS division
Symbio Connect

Strategy

A shift in tides

FY23 has been a challenging year for Connect, Symbio's CPaaS division. Strong economic headwinds have forced key international customers to revise their growth strategies and resulted in a renewed focus on cost control.

Streamlined customer experience

Throughout, we have remained focused on bringing our customers into the rapidly expanding APAC market, with our reduced infrastructure cost propositions being of key interest. Along with the APAC expansion, the CPaaS division remains focused on providing a streamlined regulatory experience along with an automated and optimised digital experience for our customers.

Achievements

Unlocking South-East Asia

The CPaaS division continues to unlock both Malaysia and Singapore for our customers, launching our South-East Asia (SEA) Hub offering which allows connectivity in both locations, adding Malaysian services to one Symbio interconnect. This grew our domestic regional footprint to four regions and two hubs.

Efficiency through self-service

Continuing our focus on customer experience and automation, we launched our wholesale-focused no-code Connect customer portal. This allows customers to order and manage Australian and New Zealand services through a single, simplified interface.

Porting

In response to customer demand we have delivered automation processes that allow us to port large volumes of inbound numbers, seeing an increase of 400% in our capabilities. This allows us to scale at speed having seen a 46% increase in Year-on-Year Growth on FY22's ported Direct Inward Dialling (DID) numbers.

100% retention of strategic customers

Despite turbulent market conditions during the first half of FY23, the CPaaS division retained all of its strategic customers, and has since returned to organic growth. A key win was the signing of an Asian Tier 1 carrier for our Malaysian business, which has expanded to include Australia, New Zealand and Singapore. The division saw KPI growth with an 11% increase in Direct Inward Dialling (DIDs) numbers year-on-year.

Opportunities

Customer growth

The increased efficiencies provided by our SEA Hub have generated keen interest from our customers, presenting a strong pipeline for Singapore and Malaysia, including several opportunities for DID migrations into Singapore.

Expanding solutions

A continued focus on automation and self-service abilities for our customers has laid the foundation for continued growth across the APAC region with new and exciting service offerings to be launched in the year ahead.

At Globe Teleservices, a global CPaaS and Cloud solution provider, our reliance on network partners like Symbio is pivotal to extend our coverage across key global markets. Symbio consistently meets our stringent criteria for quality, reliability, scalability, and coverage.

Sudip Chatterjee,
Chief Business Officer, Globe Teleservices

TaaS division

Strategy

Strong domestic outlook

The Australian domestic market continues to expand and evolve. Challenger service providers and the entrance of large brands looking to add telecommunications into their product portfolio has been on the rise as our services continue to disrupt traditional telco models.

Achievements

Voice and data growth

A demand in voice and data products have driven results in our core KPIs, particularly in the Mobile Data and 5G space.

Customers in focus

The TaaS division has continued to roll out customer-centric tooling, including service management with an AI-assisted support engine and self-diagnostic tools, which has yielded record divisional customer experience scores.

Expanded mobile offering

The mobile product set continues to grow at pace with 5G and data pooling central to its rise. The data pooling product has grown rapidly and now accounts for over 20% of the total mobile base. The launch of 5G attracted users with large data requirements with the average 5G plan now over 100GB. We've also launched additional in demand services like VoLTE.

Migration of legacy services

FY23 saw us executing and completing record customer migrations, retiring legacy platforms, and reducing costs, entering FY24 on a single, unified platform.

Opportunities

Regional Australia

An increase in coverage of both 5G and nbn™ has extended connectivity to Australians outside of Metropolitan areas. The Australian Bureau of Statistics has continued to note a rise in Regional Australia growth, a trend that took hold during the COVID-19 pandemic, seeing net migration double and increased opportunities for our service provider customers to service this market.

Unified platforms

Our proprietary customer service, ordering and billing platform, released by the TaaS division in FY22, continues to enable growth, empowering challenger providers to win market share from incumbents as users select providers based on customer service, tailored to their needs.

Expanding portfolios

Our platform also continues to support larger brands, supplying a full white label turnkey solution enabling them to bolt telecommunications onto their existing service portfolio.

Service is at the heart of our business. We rely upon best-of-breed partners, like Telcoinabox, to provide us with turnkey products that free us up to focus on customer experience.

Tom Rose, Managing Director, Espressonet

UCaaS division
Symbio Enterprise

> I've been Impressed by the execution of the Intrado to Symbio acquisition transition. It's a testament to quality management and integration, with uninterrupted service, smooth operations, and consistent business continuity for our clients.
>
> **Mike Sellars,**
> **Chief Technology Officer, Datacom Australia**

Strategy

Partnerships

Symbio's UCaaS division continues to develop enterprise voice calling integrations, providing Enterprises with tools that enable easy voice connectivity, using their preferred platform. We partner with the market leading meeting and collaboration platforms such as Microsoft Teams and Cisco Webex to deliver tools that enable collaboration.

Intrado acquisition

FY23 has been a significant year for the UCaaS business as we added to the ongoing growth of our existing Cloud Communications business with the acquisition of Intrado Australia's Cisco-focused end-to-end Cloud Calling, Contact Centre and Collaboration business in February 2023.

Acquiring Intrado Australia's business doubled the size of our UCaaS division, further embedding our relationship with a key partner, Cisco. We have also added 60 leading Enterprise and Government customers and approximately 60,000 Cisco collaboration seats. Furthermore, this acquisition brought additional channel partner relationships and 22 staff with specialised sales and technical skills.

This exciting acquisition further augments our ability to win new customers in our target market.

Achievements

Revenue and gross margin growth

During the year customer seats increased by 143% compared with the previous year, including the addition of the Intrado Australian business, with the underlying Symbio business growing by 22%. Revenue and gross margins also improved over the period by 50% and 52% respectively with the acquired Intrado Australia business contributing to these numbers from February 2023.

Innovation & awards

In addition to the acquisition, we continued to develop our product offerings with the ongoing development of our innovative Microsoft Teams Enterprise Calling solution, which was recently named finalist in the ACOMMS Awards "Innovation by a Large Company" category.

Microsoft Operator Connect

In May 2023, we added to our collaboration offerings with the launch of the Microsoft Teams Operator Connect solution in Australia, New Zealand, and Singapore. Operator Connect is a cloud-based telephony solution that allows businesses to connect to the public switched telephone network (PSTN) through a certified operator within the Microsoft Teams Admin Centre. Symbio is one of a select few Operator Connect partners available across all three markets.

Enterprise portal

This year saw the launch of innovative customer portals, allowing customers to self-service key tasks around number management – creating efficiency in processes that previously took days, now down to a matter of minutes.

Opportunities

Cross-selling opportunities

The acquisition of Intrado Australia's business has contributed to a strong sales opportunity funnel as well as growing our existing customers through the addition of new services, further embedding Symbio's strong relationship with key suppliers around Cisco Webex and MS Teams offerings.

High-growth partnerships

Symbio's Enterprise business is expecting to grow throughout the year ahead as we continue to build on our current Channel Partner relationships, particularly our high-growth partners.

We continue to remain focused on executing key deliverables, including our continuing growth in Singapore, customer portal development, automated provisioning, and infrastructure investment.

Our ESG journey
and framework

FY23 has been a transformative year for Symbio on our ESG journey. A comprehensive materiality assessment was undertaken involving interviews, surveys, and workshops with stakeholders including staff, suppliers, customers, and investors.

Through this process, we defined the environmental, social, and governance topics and initiatives where Symbio could most significantly improve our social and environmental impact and deliver our triple bottom line strategy – delivering on our commitment to people, planet, and profit.

These material topics were framed into a detailed ESG strategy informed by the Global Reporting Initiative (GRI) and the Sustainability Accounting Standards Board (SASB) IT Services Sector reporting standards. Symbio's ESG strategy includes specific, timebound targets supported by initiatives and multi-year action plans. A mark of Symbio's commitment to this strategy is the governance model with accountability and reporting through to the Board level.

We adopted an ESG vision of "A future transformed", committing to investing in innovative products, inspiring workplaces and ethical business for our people, our customers, and our communities.

Our vision, "A future transformed" is delivered through 3 pillars: "Empowered people & connected communities", "Building resilient operations and supply chains" and "Secure and transparent systems". Material topics are grouped under these pillars, with a goal and targets identified for each of the pillars.

We have a vision of...

A future transformed

Our success is founded on disruption, enabling system-wide change through cutting-edge technology.

For us, being sustainable requires transformative thoughts, processes, and innovation. In a world that is in urgent need of rapid environmental and social improvement, we have a role to play in supporting a positive transition. We are building the future – taking destiny into our own hands.

We are committed to investing in innovative products, inspiring workplaces and ethical business **that enable a future transformed** – for our people, our customers, and our communities.

By partnering with Symbio, you can **transform the future**.

Our vision is delivered through...

Pillars	**Empowered people & connected communities**	**Resilient operations & supply chains**	**Secure & transparent systems**
Material topics	• Staff engagement & wellbeing • Diversity, equity and inclusion • Health & safety • Community engagement • Digital inclusion	• Green House Gas (GHG) emissions • E-waste & circular solutions • Water & energy management • Sustainable procurement • Human rights & modern slavery	• Ethical business & governance • Risk & resilience • Transparency & reporting • Data security & privacy • Product & service responsibility • Supporting customer sustainability • Innovation & technology
Pillar goals	Symbion's and our communities have the skills, access, and empowerment to benefit from and grow our business.	We aim to reduce our overall footprint by effectively managing environmental and social impacts.	Symbion's conduct business responsibly and support our customers to make positive environmental and social contributions.
Headline targets	• Ongoing year on year improvement in staff engagement score sustained at 80% by 2027 • 40/40/20 gender ratio achieved across whole of business • Community investment target established (including financial and non-financial inputs) by 2025	• Reduce Scope 1 and Scope 2 emissions by 42% by FY30 and by 90% by FY50 from FY22 • Measure and reduce Scope 3 emission levels • Transitioned 100% of owned and operated sites to renewable energy by FY25 • 100% of e-waste is diverted from landfill by 2030	• Sustainability report published in alignment to GRI/ISSB by FY25 • Zero reportable cybersecurity or privacy breaches

ESG achievements in FY23

Empowered people & connected communities

Our goal is that Symbions and our communities have the skills, access, and empowerment to benefit from and develop our business.

Staff Engagement and Wellbeing

Staff engagement is tracked through bi-annual surveys to measure staff connection to Symbio, our culture, values, and the work they are doing.

We set a target of achieving year-on-year improvement in engagement up to 80% by FY27. We exceeded that in our first year, reaching 82% engagement in FY23, a 10% increase.

Symbio Academy, our skills sharing platform, continues to provide staff a range of resources to grow and learn. 3616 courses and 2722 badges were issued in FY23.

Symbio All Stars is a unique annual program providing high performing staff with learning opportunities that support succession, our talent pipeline and benefits to the company and shareholders. Owned and managed by the All Stars themselves, in the year to end of June 2023, participants increased from 50 to 73.

We continue to provide access to Wellbeing services through our internal communications platform, LaunchPad, as well as providing an EAP program.

Diversity, Equity, and Inclusion

Two years ago, Symbio set a target of achieving a 40:40:20 gender ratio across the organisation, an ambitious target in the technology sector in which we operate.

This year, Symbio was awarded the prestigious 4-star certification for gender diversity, equity, and inclusion from Ellect, a trusted global auditing firm.

With only 5% of Australian listed companies meeting their rigorous 4-star criteria, achieving this award was great recognition for the efforts made in recent years to improve gender diversity at the Board and senior management levels. Symbio exceeds the criteria for the award by having 50% women on the Board of Directors and 37% women within the senior leadership team.

Additionally, 65% of women at Symbio have completed our Women@Symbio program, providing additional skills training, mentorship, and advocacy as we continue to bring new skills, mindsets, and voice to the technology sector while increasing retention and engagement of high-performing staff.

FY23 saw the design and development of our global Diversity, Equity & Inclusion (DEI) framework to support Symbio's strategic vision – a workplace where inclusivity is embraced and Symbions can be their best selves. The framework is underpinned by the pillars of Gender, Safety, Culture and Belonging and provides a strong employee value proposition (EVP) for existing and new talent.

Building resilient operations and supply chains

Our goal is to reduce our overall footprint by effectively managing environmental and social impacts.

Green House Gas (GHG) Emissions

FY23 saw us compile our carbon footprint in accordance with the GHG Protocol, a globally endorsed framework that provided guidelines and requirements for preparing corporate-level GHG emissions. we now have a baseline year of FY22 for Scopes 1, 2 and 3 emissions. We understand how emissions are generated in our business and have identified initiatives to reduce them in line with the global Science Based Targets initiative (SBTi).

Based on those initiatives, we have developed science aligned targets to reduce Scopes 1 and 2 emissions by 42% by 2030 and by 90% by FY50 from FY22. We have also committed to measure and reduce our Scope 3 emissions, which make up most of our carbon emissions.

Pending transition of owned and operated sites to renewable energy by FY25, Symbio continues to ensure any business-related travel is carbon neutral.

Symbio's staff-led Green Team continues to drive environmental initiatives at a business level, providing resources to help staff take personal responsibility for their impact.

Human Rights and Modern Slavery

At Symbio, we are committed to protecting the human rights of people with whom we interact, or who are impacted by our business, including those in our supply chain. These principles are incorporated into our Supplier Code of Conduct, which suppliers are expected to follow.

Secure and transparent systems

Our goal is that Symbions conduct business responsibly and our customers are enabled to improve their environmental and social impacts.

Ethical Business and Governance

Symbio has established a strong governance framework to support its ESG strategy, with oversight by the Board. Executive management is accountable for the delivery of the strategy through the ESG Committee, chaired by the Chief Legal Officer.

A headline target of Symbio's ESG strategy is to publish a sustainability report in alignment with GRI/ISSB by FY25.

We set clear expectations for our people to conduct business responsibly through our company values, Code of Conduct including the Anti-Bribery and Corruption Policy, and Human Rights Policy and we encourage them to report any concerns through our Whistleblower Policy.

Risk & Resilience

Risk management has continued in FY23, demonstrating its value in decision-making and planning processes. Governance is through oversight by the board and the Audit and Risk Committee, with accountability through the Executive Risk Committee.

In FY23 we enhanced our business continuity and resilience posture across the network and all core functions. An enterprise-wide framework has been developed, which allows for detailed planning at the business unit level. A further enhancement is scheduled for FY24.

Security and Data Privacy

Our security posture continues to be an area of investment as we strive to stay ahead of emerging cyber threats to protect our systems and data from unauthorised access.

We have increased our existing tooling, security audit frequency, improved reporting, controls, training, and covert testing programs.

Additionally, we broadened auditing to external suppliers, which resulted in the termination of several contracts due to their poor security standards.

Innovation and technology

Our Symbio SuperCore, AppCore and GeoCore initiatives accelerated our ability to deploy our technology in new markets, at speed and we are pleased to share that Malaysia has delivered on that promise.

Investment in optimising our technology stack is ongoing as we continue to explore efficient ways to leverage public cloud models. Leveraging both public and private cloud enable us to use the best approach to deliver our services.

FY24 will see a multi-year initiative of AI adoption with internal training, learning and adoption of best practices, leveraging efficiencies, scaling for growth across our operational platforms.

For more information about our code of conduct, polices and corporate government statement, please visit our website at:

investors.symbio.global/corporate-governance

Board of Directors

Symbio's Board provide invaluable contributions that shape our business strategy and enhance our credibility as software leaders in cloud communications.

The Board's combined strategic acumen, honed through years of experience, drives our decision-making process. Their oversight plays a crucial role in ensuring rigorous governance and robust risk management.

Collectively their expertise as industry professionals continues to inspire innovation and Symbio's commitment to excellence.

Anne Ward

Chair & Non-Executive Director

Anne Ward is a highly experienced company director with a focus on growth strategies in rapidly changing, highly regulated and customer focused businesses. Prior to becoming a professional director, Anne was a commercial lawyer for 28 years.

She is currently Chairman of RedBubble Ltd, non-executive Director of The Star Entertainment Group and a Director of the Foundation for Imaging Research amongst other roles.

At Symbio, Anne is a Member of the Audit and Risk Committee and a Member of the Nomination Committee.

Michael Boorne

Non-Executive Director

Michael Boorne is a serial entrepreneur, combining extensive technical expertise with deep commercial and corporate experience.

Michael has founded start-up businesses such as Sprit Modems and Mitron Pty Ltd, and is a director and committee member of numerous private companies and charitable foundations. He was previously a non-executive director of Netcomm Ltd.

At Symbio, Michael is a Member of Audit and Risk Committee and a Member of the Remuneration Committee.

Andy Fung

Non-Executive Director

Andy Fung is a co-founder of Symbio. He was Managing Director of Symbio (formerly MNF Group) from 2006 until 2012. Andy previously held senior management positions with Telstra, Optus and Lucent Technologies of the US.

During his time in Telstra, Andy was seconded to the Australian Trade Commission (Austrade) as Specialist Trade Commissioner and supported Australian exports to countries in Asia. Andy is also an Executive Director of a private company with interests in trade and investments.

At Symbio, Andy is the Chair of the Nomination Committee.

Leanne Heywood

Non-Executive Director

With a background in finance and accounting, Leanne Heywood is a highly experienced company director holding Board positions for both public and private companies in B2B settings across a variety of industries. She also has extensive international experience managing complex and culturally diverse stakeholder relationships across the APAC region.

She currently chairs Audit and Risk Committees at ASX-listed companies Allkem Ltd, Midway Limited and Quickstep Holdings Limited.

At Symbio, Leanne is the Chair of the Audit & Risk Committee and a Member of the People, Remuneration & Culture Committee.

Gail Pemberton

Non-Executive Director

Gail Pemberton's career as an executive focused on technology, technology intensive businesses and financial services in a variety of C-level roles.

Since transitioning to a Non-Executive Director career, Gail has amassed extensive experience as a Chair and as a Director of both ASX listed and global companies and has participated in several IPOs, acquisitions, divestments and capital raisings.

At Symbio, Gail is the Chair of the People, Remuneration & Culture Committee, a Member of the Audit & Risk Committee and a Member of the Nomination Committee.

Rene Sugo

Executive Director & Group CEO

Mr. Sugo is a co-founder and Group CEO of Symbio. He is a strong industry advocate for competition and technology disruption for the benefit of Symbio and the global telecoms industry.

Rene sits on various global industry committees and regularly contributes opinions and articles affecting the industry.

Rene is Alternate Director, Communications Alliance Ltd and Alternate Director, Industry Number Management Service Ltd in Australia, representing the interests of the Group to ensure a level playing field for non-incumbent industry participants.

Executive team

Symbio's Executive team have significant management experience gained across the industry sectors of technology, software, and telecommunications. Under their proactive management and the oversight of our chairman and board, they continue to drive and deliver results.

John Boesen
Chief Technology Officer

John Boesen was appointed in June 2018 as Chief Technology Officer of Symbio to transform the technology team and lead the modernisation of the technology stack to drive the business's next phase of growth, focused on global expansion of its voice network and software platforms.

John has led multi-disciplinary technology and creative teams over the past 20 years at executive and senior management levels, previously serving as the Chief Information Officer and prior Chief Technology Officer of William Hill Australia, as well as the Chief Operating Officer of Etherstack plc.

A graduate of the Australian Institute of Company Directors (GAICD), John also holds a dual Bachelor of Science degree in Mathematics and Computer Science from the University of New South Wales.

Dylan Brown
Chief Executive Officer – Connect

Dylan Brown was appointed as CEO of Symbio's Connect division in August 2023, after acting in the role for 8 months. In this time, Dylan has been instrumental in rolling out Symbio's digital transformation roadmap championing low-no code portals, automation and API development.

Having joined Symbio through the Telcoinabox acquisition, Dylan has a combined tenure of close to nine years. Prior to the current role, he led the Connect Product Team as General Manager Products & Marketing.

Dylan has a strong focus on the customer, championing product growth and development, bringing with him commercial acuity and market leadership.

Dylan has 12+ years of telecommunications experience working for AAPT, Pacnet and Telcoinabox in sales, presales and product management roles.

He also sits on the Board of the Telecommunications Global Leaders Forum (GLF) representing Symbio and has been selected for the GLF Accelerator program as one of the next generation C-Leaders of international connectivity businesses.

Jon Cleaver
Chief Executive Officer – TaaS

Jon Cleaver was appointed Chief Executive Officer – TaaS in December 2021. In this role, he is responsible for overseeing the software platform which enables Challenger Service Providers to resell communication services – such as mobile, cloud PBX and data – under their own brand.

Jon previously headed up the Sales and Business Development teams, before serving as the Chief Commercial Officer – leading the Sales, Products, Carrier and Regulatory teams – and most recently as the Chief Executive of Wholesale.

Having been at the forefront of the industry for over 15 years, at both executive and senior management level, Jon was previously a Senior Account Manager at Telstra Wholesale before joining Symbio.

Kate Denton
Chief Financial Officer

Kate Denton was appointed as CFO in February 2023 after 12 months acting in the role. In this time, Kate implemented a Tier 1 audit firm for the first time in Symbio's history, realigned financial performance frameworks to enable growth, right-sized the organisation cost base, optimised finance teams' structure and implemented tools for improved efficiency and accuracy.

In her eight years with the company, Kate has held senior finance roles including Group Financial Controller and Head of Finance for the TNZI subsidiary.

Prior to joining Symbio, Kate worked as a Finance Manager at fintech company SunGard (now FIS) in London, Group Financial Accountant at Vector Electricity and started her career as an auditor at Audit New Zealand.

Kate is a Chartered Accountant with Chartered Accountants Australia and New Zealand, holds a Bachelor of Commerce (Grad Dip) in Accounting and Economics from the University of Otago and is a member of the Australian Institute of Company Directors.

Cathy Doyle
Chief Experience Officer

Cathy Doyle joined Symbio in June 2021 as our first Chief People Experience Officer to lead the design and implementation of our global people strategy to enable our ambitious expansion goals, ensuring that each Symbion continues to thrive. In May 2023 Cathy became Symbio's Chief Experience Officer where she leads all Experience elements: Customer Experience, Brand Experience, People Experience, User Experience, and Corporate Experience.

Cathy brings a wealth of acumen to her role, possessing over 25 years of experience in holding senior roles in companies such as ParaFlare, Rabobank Australia and NZ, McDonalds Australia, BNP Paribas, CBA and Qantas, amongst others.

A graduate of the Australian Institute of Company Directors (GAICD) and the Australian Institute of Superannuation Trustees (AIST), Cathy also holds a Bachelor of Social Science degree, a Certificate in Governance, Graduate Diploma qualifications in Psychology and Vocational Education & Training and an MBA.

Iain Falshaw
Chief Executive Officer – Enterprise

Iain Falshaw joined Symbio as part of the Telcoinabox acquisition in 2018 and was appointed as Chief Executive Officer – Enterprise in December 2021. In this role, he is focussed on driving the growth of our Government and Enterprise business based on industry leading partnerships with Microsoft and Cisco Webex, both domestically and as part of Symbio's expansion into APAC. Prior to this, Iain served as Chief Executive – Direct, overseeing a consolidation and divestment strategy of our former Direct segment, which completed in January 2022.

He has over 30 years of experience in the Telecoms industry. During that time, he has held several senior management roles including Chief Commercial Officer of Inabox Group, CFO & Company Secretary of Aggregato Global, Managing Director of ACN Pacific and was a Non-Executive Director of the Telecoms Industry Ombudsman (TIO).

Iain has a BA Hons in Business from Robert Gordons University, Aberdeen, is a Chartered Management Accountant and a graduate of the Australian Institute of Company Directors (GAICD).

Helen Fraser
Chief Legal Officer

Helen Fraser joined Symbio as its first in house counsel in 2012, bringing more than 20 years' experience from prior legal, contract management and leadership roles mostly in the technology, telecommunications and aerospace industries, including at Accenture, Optus, Lucent Technologies, ERG and Hawker Pacific.

As Chief Legal Officer, Helen heads up the Legal and Compliance Team at Symbio and is also a committed executive sponsor of the Diversity, Equity and Inclusion Committee.

She has also been instrumental in driving the award-nominated Women@ Symbio program, and is a passionate advocate and sponsor for Symbio's Green Team.

Helen earned her Bachelor and Master of Laws from The University of Sydney and Bachelor of Arts (Asian Studies – Indonesian) from the Australian National University. Helen is also a graduate member of the Australian Institute of Company Directors (GAICD) and a member of the Association of Corporate Counsel (ACC).

YEO See Kiat (杨时杰)
Executive General Manager, South East Asia

See Kiat was appointed Executive General Manager of South East Asia in August 2021, and leads Symbio's expansion into the Asia Pacific region. With the support of a dedicated team, See Kiat spearheaded Symbio's successful launch in Singapore, which has seen Symbio become the first fully interconnected carrier to build a voice network in the country in over 20 years.

See Kiat has more than 30 years of experience in the ICT industry, from fixed line and Internet to mobile services and data centres in leading carriers in Singapore. He was the founding General Manager at WingTai i-Advantage Singapore, a pioneer in the data centre industry whilst at Singapore Internet Exchange, See Kiat was part of a team of two which built up the national Internet exchange, enabling a more diverse and reliable internet backbone for the nation. Prior to joining Symbio, See Kiat led SGTech, the leading trade association that focuses on the ICT industry.

He is a graduate of the National University of Singapore with a BSc in Computer Science and Information Systems.

Directors' Report

Symbio Holdings Limited
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30 June 2023

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Principal Activities and Review of Operations

The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group' or 'Symbio Group') consisting of Symbio Holdings Limited (referred to hereafter as 'Symbio' or the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2023.

Directors

The following persons were Directors of Symbio Holdings Limited during the financial year and up to the date of this report, unless otherwise stated:

Anne Ward	Non-Executive Director & Chairman
Michael Boorne	Non-Executive Director
Andy Fung	Non-Executive Director
Gail Pemberton	Non-Executive Director
Leanne Heywood	Non-Executive Director
Rene Sugo	Executive Director & Group CEO
David Stewart	Non-Executive Director (resigned 8 November 2022)

Principal activities

Symbio Holdings Limited is a Software-as-a-Service (SaaS) company that enables innovative communications technologies through its proprietary software platforms. Symbio aims to disrupt the $70 billion legacy global telecommunications industry by enabling a shift from traditional physical networks to cloud based software infrastructure.

The Company provides communication services to software companies, telecom providers and enterprise customers across Australia and Internationally.

The Company generates revenues consisting of monthly recurring charges for access to communications capabilities delivered in a SaaS model, as well as usage charges for associated services. Revenue was also derived from sale of hardware, which helps support the use of these services.

Dividends

Dividends paid during the financial year were as follows:

	Consolidated	
	2023 $'000	2022 $'000
Interim dividend for the year ended 30 June 2023 of 1.70 cents (2022: 3.30 cents) per ordinary share	1,444	2,800
Final dividend for the year ended 30 June 2022 of 1.70 cents (2021: 4.30 cents) per ordinary share	1,435	3,641
Special dividend for the year ended 30 June 2022 of 3.00 cents (2021: nil cents) per ordinary share	2,531	-
	5,410	6,441

On 28 August 2023, the directors declared a final dividend of 1.7 cents per ordinary share to be paid on 4 October 2023 for the year ended 30 June 2023. This is a total estimated distribution of $1,449,000 based on the number of ordinary shares on issue as at 30 June 2023. These dividends were fully franked.

Review of operations

The Company's operations are made up of three revenue generating divisions: CPaaS, UCaaS and TaaS. These divisions are supported by the Finance, People Experience, Legal & Compliance, and Technology corporate business units.

The three revenue generating divisions are:

- **CPaaS – Communications Platform as a Service**

The CPaaS division focuses on empowering software companies (in Australia, APAC and globally) and larger infrastructure based service providers to enable calling and messaging via Symbio hosted phone numbers. CPaaS will directly contribute to our overall goal of acquiring 100 million phone numbers on network by 2030.

- **UCaaS – Unified Communications as a Service**

The UCaaS division focuses on enabling the roll-out and self-service management of enterprise collaboration services (in Australia and APAC) based on industry leading partnerships with Microsoft Teams, Cisco WebEx, Twilio and other enterprise software specialists. UCaaS will purchase infrastructure from CPaaS, thereby indirectly contributing to our overall goal of acquiring 100 million phone numbers on network by 2030.

- **TaaS – Telecom as a Service**

The TaaS division focuses on providing a digital platform for small service providers (initially in Australia only) to operate their telecom and managed services business. TaaS will purchase infrastructure from CPaaS as well as other industry leading vendors of complementary telecom services, thereby indirectly contributing to our overall goal of acquiring 100 million phone numbers on network by 2030. TaaS will predominantly operate under the Telcoinabox brand.

In response to the global economic slow-down that was felt in the first half (H1) of FY23 in the technology sector in which Symbio and a lot of its customers operate, the Company took immediate cost control measures and re-guided its FY23 result. Symbio successfully completed 16 out of 18 FY23 strategic projects within the financial year while reducing capital expenditure (CAPEX) and operating expenses (OPEX) in the second half. The Company has been working with many of its top global customers and securing long-term agreement renewals which include exclusivity or preferential supply clauses, as well as increasing market share and growth into additional markets like Singapore and Malaysia. The Company has retained all strategic customers going into FY24. The Company remains committed to the Vision 2030 strategy and expansion into Asia, and will look to execute the strategy while attempting to maintain a flat OPEX and CAPEX profile for the medium term.

Financial Performance

Gross margin from continuing operations has increased by 4% to $99,025,000 (30 June 2022: $95,501,000).

The Directors consider underlying Earnings Before Interest, Tax, Depreciation and Amortisation ('EBITDA') to reflect the core earnings of the Group. Underlying EBITDA is a financial measure which is not prescribed by Australian Accounting Standards ('AAS') and represents the profit under AAS adjusted for non-cash and significant items.

Reconciliation of NPAT to underlying EBITDA(2) and continuing EBITDA(4):

	Consolidated 2023 $'000	2022 $'000
NPAT from continuing operations	1,768	5,773
NPAT from discontinued operations	-	8,881
Group Consolidated NPAT	1,768	14,654
Add:		
Depreciation and amortisation(1)	18,841	20,518
Income tax (benefit)/expense(1)	(160)	2,294
Net interest(1)	825	1,550
Acquisition costs	668	98
Gain on sale of business(1)	-	(14,178)
Restructuring costs	950	200
Impairment of assets(1)	-	4,937
Share scheme and earn-out expenses	4,761	5,669
	25,885	21,088
Underlying EBITDA(2)	27,653	35,742
Less:		
Discontinued EBITDA(3)	-	(367)
Continuing EBITDA(4)	27,653	35,375

(1) Total from both continuing and discontinued operations

(2) Underlying EBITDA: excludes restructure and impairment costs, gain or loss on sale of businesses, net interest, share scheme costs and earn-out expenses, acquisition costs, tax, depreciation and amortisation

(3) Discontinued EBITDA: calculated using discontinued operations profit before tax and adding back discontinued operations depreciation and amortisation, finance costs, impairment of assets expenses (see note 4 for discontinued operations expenses breakup)

(4) Continuing EBITDA: underlying EBITDA less discontinued EBITDA

Underlying EBITDA has declined from prior year to $27,653,000 (30 June 2022 continuing EBITDA: $35,742,000).

	2023 $'000	2022 $'000	Change $'000	Change %
Revenue from continuing operations	210,777	202,599	8,178	4%
Revenue from discontinued operations	-	2,426	(2,426)	(100%)
Group consolidated Revenue	210,777	205,025	5,752	3%
Gross margin from continuing operations(i)	99,025	95,501	3,524	4%
Gross margin from discontinued operations(i)	-	2,028	(2,028)	(100%)
Group Consolidated Gross margin(i)	99,025	97,529	1,496	2%
NPAT from continuing operations	1,768	5,773	(4,005)	(69%)
NPAT from discontinued operations	-	8,881	(8,881)	(100%)
Group Consolidated NPAT	1,768	14,654	(12,886)	(88%)

(i) Gross margin calculated using Revenue less Network and communication expenses

The flat revenue and declining underlying EBITDA was due to several factors. The global economic slowdown and its impact on Symbio's customers in the technology sector resulted in reduced margin growth. In addition, Symbio had focused in late FY22 and early FY23 on executing its Vision 2030 strategy and increased its cost base to support this execution. The combination of increased cost base and unexpected reduction in margin growth led to a reforecast of the company's FY23 EBITDA. Symbio implemented cost saving measures in the second half of FY23 to right-size the cost base, the Company remains committed to delivering long term growth on completion of the projects funded in FY23.

The profit for the Group after providing for income tax (net profit after tax or NPAT) amounted to $1,768,000 (30 June 2022: $14,654,000), resulting in an earnings per share ('EPS') for the Group of 2.08 cents (30 June 2022: 17.29 cents^).

The total dividend for the full year is 3.40 cents per share (fully franked) with the Company declaring a final dividend of 1.70 cents per share for the second half of the financial year ended 30 June 2023. The full year dividend represents 163% of the 2023 full year EPS.

	2023 Cents	**2022 Cents**	**Change %**
EPS^	2.08	17.29	(88%)
Dividends	3.40	8.00	(58%)

^ Total from both continuing and discontinued operations

Summary of net cash position of the Group:

	Consolidated 2023 $'000	**2022 $'000**
Cash	35,844	42,586
Debt	-	-
Net cash	35,844	42,586
Debt facility limit	60,000	60,000

The Group's balance sheet is well positioned to support future growth with $35,844,000 of cash and undrawn revolving credit facilities totalling $60,000,000 at 30 June 2023.

Acquisitions

In the current financial year, on 31 January 2023, the Company completed the acquisition of Intrado Australia's Cisco-focused end-to-end Cloud Calling, Contact Centre and Collaboration business, providing services to key partners and Enterprise & Government customers in Australia. A total consideration of $5,632,000 was paid for the business.

The acquisition adds approximately 60,000 seats to Symbio Group's UCaaS division, via existing partners and direct customers effectively doubling the existing enterprise seats and helping to consolidate the market position of this fast-growing business unit. The acquisition has contributed revenues of $5,552,000 and net profit before tax of $1,213,000 in the current financial year.

Business outlook

The Company remains confident that the global megatrends of enterprise cloud adoption and new ways of working, including hybrid working, will prevail through the current period of uncertainty. Our expansion into the new high-tech Asian markets of Singapore, Malaysia and Taiwan will increase our addressable market, further fueling long term growth.

The Company is overall profitable, cash generative and maintains a strong balance sheet with no drawn debt and available debt facilities.

Domestic market
The Company continues to generate the bulk of its revenue and margins from the Australia and New Zealand domestic business. Despite the set-back in the first half of the current year due to inventory returns and customer delays, there were positive organic growth indicators in the business. The CPaaS business continued number porting generating an overall 11% growth in numbers; the TaaS business achieved 10% growth in services; and UCaaS achieved 143% growth in seats, of which 22% were gained organically.

Asian market expansion
Customer uptake in Singapore continues to increase with a further 12 new customers contracted and 12 onboarded in the current financial year. There are a further 26 new customers in pricing and contract negotiations. The Company now has a total of over 100 wholesale customers either contracted or engaged in the sales cycle in Singapore. Phone numbers on network are growing quickly as customers establish their operations in this new market. There is a strong pipeline of committed orders as customers look to port over existing inventory and allocate new inventories to support sales activities. Additionally, the UCaaS business is building a solid pipeline of enterprise customers through our strategic partners Cisco and Microsoft. The Group is now confident of reaching break-even in Singapore in FY24.

The Group launched into the Malaysian market in May 2023 with four customers undergoing trials. Since then interest has been high as Symbio's global customers familiarise themselves with the Malaysian market and are making preparations for market entry. There are 7 customers who have signed formal agreements, and 13 customers in the sales pipeline.

The Taiwan market is of interest due to high customer demand. The plan for market entry by acquisition has changed due to inability to finalise the target transaction within suitable pricing parameters after extensive due-diligence. The Company is now looking to build a revised business case based on organic market entry. The team is confident due to familiarity gained of the Taiwan market during the previous acquisition process. Additionally, the Malaysian market entry has provided a model for rapid organic market entry which can be replicated in Taiwan.

Acquisition opportunities
As part of the focus on strategy, the Company has a clear framework for identifying target acquisitions. Symbio has a $60,000,000 undrawn facility as well as $35,844,000 cash at bank, together with the ability to raise additional debt and capital if required. The Executive Team and the Board will continue to review opportunities to support the Company to achieve its strategic goals.

Business risks
The following is a summary of material business risks that could adversely affect our financial performance and growth potential in future years and how we propose to mitigate such risks.

Macroeconomic risks
As we saw in FY23, the Company's financial performance can be impacted by current and future economic conditions outside its control, such as economic downturns and recessions. This has occurred during the reporting period, when the global technology sector in which the Company and many of its customers operate has been particularly impacted. The Company stays abreast of conditions including through regular engagement with its key customers. Together with close monitoring of financial metrics, this allows the Company to respond quickly to the changing environment by reducing expenditure, reviewing its projects and plans and implementing other control measures as needed to preserve its balance sheet.

The Company's financial performance can also be impacted by other current and future economic conditions outside its control, such as increases in interest rates and inflation and foreign currency fluctuations. Operating within the technology sector, the Company's largest expense is employee costs. Inflationary pressures experienced in this area have reduced with the changing competitive environment. The Company has careful cash management (with no drawn down debt), internal debtor controls and has a diversified customer base across its three operating divisions to help manage these risks.

Geopolitical risks
We consider the potential impact of geopolitical risks on the Company's financial performance to be low given that the Company's revenue is principally Australia based. As we execute our Vision 2030 strategy, we monitor this risk carefully particularly in relation to Taiwan, with regular reviews of the regions in which we plan to grow. With only very limited exposure to Ukraine, the Company has not experienced any operational impact from Russia's invasion of Ukraine.

Changes to market trends and competitive landscape
The Company operates in a highly competitive market where technology and products are changing. This may result in declining customer value in our product suite and price pressure. The company seeks to mitigate this risk through capable product development teams, strong customer relationships, keeping abreast of likely changes and diversifying our market through our Vision 2030 strategy.

Network and data security and network stability
The Company's financial performance is dependent on its ability to maintain secure and stable networks and systems. Technology systems are increasingly subject to security threats from cyber attacks which put data and service continuity at risk. Similarly, disruptions to customer services can arise from system and network downtime. The Company manages these risks by implementing and regularly reviewing security measures and providing for network redundancy and other measures.

Regulatory compliance and changes
The Company's operations are subject to telecommunications and other laws and regulations in several countries. The Company maintains internal controls for compliance. The Company is represented on relevant industry bodies and monitors for changes which may impact its business, advocating for changes which foster industry competition and to protect consumers and their ability to make and receive calls globally.

Attraction and retention of a skilled workforce
The Company reviews its employee value proposition regularly and has developed a range of programs designed to attract and retain skilled employees and foster diversity and inclusion.

Climate risks
It is possible that the consequences of climate change could adversely impact the Company's operations and customer services. The Company's own infrastructure is largely software based however interconnected partners may also rely on physical infrastructure which may be more likely to be impacted by climate events. The Company manages these risks by providing for network redundancy, maintaining alternative partner arrangements and through its business continuation and resilience processes.

The Company is not involved with activities which pollute or degrade the environment and the Company has developed a roadmap to reduce the carbon emissions from its business over time.

Pandemic
The Company now has experience in the swift implementation of business continuation processes should future lockdowns of the population occur, and these processes continue to evolve to minimise any operational disruption.

Significant changes in the state of affairs
On 31 January 2023, Symbio Holdings Limited completed the acquisition of Intrado Australia, a subsidiary of West Technology Group, LLC. Intrado Australia is a Cisco-focused end-to-end Cloud Calling, Contact Centre and Collaboration business, providing services to key partners and Enterprise & Government customers in Australia. The Group paid $5,632,000 for the acquisition.

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

Matters subsequent to the end of the financial year

On 1 August 2023, the Group announced to the market it had received non-binding indicative proposal from Superloop Limited (ASX:SLC or "Superloop") to acquire all of the shares in Symbio via a scheme of arrangement ("Indicative Proposal"). The Board of Symbio and its advisers have undertaken a review of the Indicative Proposal and have entered into non-disclosure and exclusivity agreements with Superloop. The Board has indicated that the Indicative Proposal would only progress if it is in the best interest of Symbio's shareholders and there is no guarantee that a transaction will occur. The Group cannot estimate the potential financial effect at this stage.

Apart from the dividend declared and the "Indicative Proposal" discussed above, no other matter or circumstance has arisen since 30 June 2023 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.

Environmental regulation

The Group is not subject to any significant environmental regulation under Australian Commonwealth or State law.

Symbio Holdings Limited
Directors' report
30 June 2023

Current Directors' information

Name:	Anne Ward (appointed on 22 July 2021)
Title:	Chair and Independent Non-Executive Director
Qualifications:	BA, LLB, FAICD
Experience and expertise:	Ms Ward is a highly experienced company director with a focus on growth strategies in rapidly changing, highly regulated and customer focused businesses and broad industry experience spanning financial services, banking, insurance, technology, healthcare, agriculture, government, education and tourism. Prior to becoming a professional director, Ms Ward was a commercial lawyer for 28 years and was General Counsel for Australia at the National Australia Bank and a partner at Minter Ellison in Melbourne. Apart from the ASX directorships mentioned below, Ms Ward is also a Director of the Foundation for Imaging Research and a Governor of the Florey Institute of Neuroscience and Mental Health.
Other current ASX directorships:	Chairman, RedBubble Ltd (ASX: RBL) (since March 2018) Director, The Star Entertainment Group Limited (ASX: SGR) (since November 2022)
Former ASX directorships (last 3 years):	Director, Crown Resorts Limited (ASX: CWN) (from January to June 2022)
Special responsibilities:	Member of the Audit and Risk Committee and member of the Nomination Committee
Interests in shares:	10,000 ordinary shares
Interests in options:	None
Interests in rights:	None

Name:	Michael Boorne
Title:	Non-Executive Director
Qualifications:	DipEEng
Experience and expertise:	Mr Boorne is a successful entrepreneur with extensive experience in combining technical expertise with commercial and corporate experience. He has founded start-up businesses Sprit Modems and Mitron and is a Director and Committee Member of numerous private companies and charitable foundations. He was previously a Non-Executive Director of Netcomm Ltd.
Other current ASX directorships:	None
Former ASX directorships (last 3 years):	None
Special responsibilities:	Member of Audit and Risk Committee and member of the Remuneration Committee
Interests in shares:	1,129,875 ordinary shares
Interests in options:	None
Interests in rights:	None

Name:	Andy Fung
Title:	Non-Executive Director
Qualifications:	BEng, MCom
Experience and expertise:	Mr Fung is a co-founder of the Group. He was Managing Director of the Group from 2006 until 2012. With extensive telecommunications industry experience, Mr Fung previously held senior management positions with Telstra, Optus and Lucent Technologies of the US. During his time in Telstra, Mr Fung was seconded to the Australian Trade Co mmission (Austrade) as Specialist Trade Commissioner and supported Australian industry's export to countries in Asia. Mr Fung is also an Executive Director of a private company with interests in trade and investments.
Other current ASX directorships	None
Former ASX directorships (last 3 years):	None
Special responsibilities:	Chair of the Nomination Committee
Interests in shares:	11,462,428 ordinary shares
Interests in options:	None
Interests in rights:	None

Name:	Leanne Heywood OAM
Title:	Independent Non-Executive Director
Qualifications:	B. Bus(Acc), MBA, FCPA, GAICD
Experience and expertise:	Ms Heywood is a highly experienced company director holding Board positions for both public and private companies in B2B settings across a variety of industries. Apart from the ASX directorships mentioned below, Ms Heywood is also a director of Snowy Hydro Limited and a Graduate Member of the Charles Sturt University Council. With a background in finance and accounting, Ms Heywood brings considerable commercial, sales and marketing, and business analytics experience to the Board. She also has extensive international experience managing complex and culturally diverse stakeholder relationship across the APAC region during her 11 years at Rio Tinto, including her position as General Manager, Sales and Marketing, Copper Concentrate.
Other current ASX directorships:	Director, Alkem Limited (ASX: AKE) (from September 2016) Director, Midway Limited (ASX: MWY) (from March 2019) Director, Quickstep Holdings Limited (ASX: QHL) (from February 2019)
Former ASX directorships (last 3 years):	None
Special responsibilities:	Chair of the Audit & Risk Committee, Member of the People, and Remuneration & Culture Committee
Interests in shares:	5,000 ordinary shares
Interests in options:	None
Interests in rights:	None

Name:	Gail Pemberton AO
Title:	Independent Non-Executive Director
Qualifications:	MA, GradCert in Finance, FAICD
Experience and expertise:	Ms Pemberton has extensive experience as a Director of both ASX listed and global companies and has participated in several IPOs, numerous acquisitions and divestments and capital raising. Prior to pursuing a Non-Executive career in 2008, Ms Pemberton was COO at BNP Paribas Securities Services UK Ltd, and CEO and Managing Director at BNP Paribas Fund Services Australasia Pty Ltd. She was previously Group CIO and Financial Services Group COO at Macquarie Bank. Ms Pemberton was awarded the Order of Australia (AO) in the Australia Day Honours list 2018 for distinguished service to the finance and banking industry through a range of roles, as a mentor to women. She was recognised by the Federal Government with the award of a Centenary Medal in 2002 for outstanding services to Australian business. Apart from the ASX directorships mentioned below, Ms Pemberton is also a Director of HSBC Bank Australia Limited, Sydney Metro and Land Services WA.
Other current ASX directorships:	Chairman, Prospa Group Ltd (ASX: PGL) (director from May 2018; Chairman from February 2019), Chairman, Fleet Partners, Group Limited (ASX: FPR)
Former ASX directorships (last 3 years):	None
Special responsibilities:	Chair of the People, Remuneration & Culture Committee, Member of the Audit & Risk Committee, and Member of the Nomination Committee
Interests in shares:	17,140 ordinary shares
Interests in options:	None
Interests in rights:	None

Name:	Rene Sugo
Title:	Executive Director and Group CEO
Qualifications:	BEng (Hons), GAICD
Experience and expertise:	Mr Sugo is a co-founder of the Group. He is a strong industry advocate for competition and technology disruption for the benefit of the Group and the global telecoms industry. Mr Sugo sits on various global industry committees and regularly contributes opinions and articles affecting the industry. Mr Sugo is Alternate Director, Communications Alliance Ltd and Alternate Director, Industry Number Management Service Ltd in Australia, representing the interests of the Group to ensure a level playing field for non-incumbent industry participants.
Other current ASX directorships:	None
Former ASX directorships (last 3 years):	None
Special responsibilities:	None
Interests in shares:	6,816,365 ordinary shares
Interests in options:	325,722 unquoted options
Interests in rights:	201,756 performance rights

Company secretary

Nicholas Elvin (appointed with effect from 24 November 2022)
Mr Elvin is an experienced governance professional with qualifications in law and accounting (BEc LLB). He held executive roles in the public and private sector in human resources and risk management capacities for a number of years. Most recently, Mr Elvin was a company secretary for around 6 years within a financial services group.

Nawal Silfani
Nawal Silfani, who was Company Secretary at the commencement of the financial year, resigned with effect from 2 September 2022. Ms Anna Sandham, of Company Matters, was appointed as the Company Secretary on an interim basis on 2 September 2022. Ms Sandham resigned with effect from 24 November 2022.

Meetings of Directors

The number of meetings of the Company's Board and its committees held during the year ended 30 June 2023, and the number of meetings attended by each director/committee member are set out below.

	Board		Audit and Risk Committee		Nomination Committee	
Director	Required to attend	Attended	Required to attend	Attended	Required to attend	Attended
Anne Ward	18	18	10	9	1	1
Rene Sugo	18	18	-	-	-	-
Michael Boorne	18	17	10	8	-	-
Andy Fung	18	18	-	-	1	1
Leanne Heywood	18	18	10	10	-	-
Gail Pemberton	18	17	10	10	1	1
David Stewart[1]	6	6	-	-	1	1

	Remuneration Committee		People, Remuneration & Culture Committee[2]	
Director	Required to attend	Attended	Required to attend	Attended
Anne Ward	-	-	-	-
Rene Sugo	-	-	-	-
Michael Boorne	1	1	3	2
Andy Fung	-	-	-	-
Leanne Heywood	-	-	3	3
Gail Pemberton	1	1	3	3
David Stewart[1]	1	1	-	-

Note: all Directors have a standing invitation to all meetings of the Board's standing committees (attendance as an invitee to a committee is not reflected in the table). From time to time, the Board may delegate authority to a special purpose committee of the Board and appoint Directors to such committees. Meetings of special purpose committees are not included in the table, nor are Board or committee workshops and other Board-related commitments.

1 Mr Stewart resigned as a Director from 8 November 2022.
2 The People, Remuneration & Culture Committee was established through a change of name (and associated expansion of the role and responsibilities) of the Remuneration Committee effective from 8 November 2022.

Remuneration report (audited)
Letter from the People, Remuneration and Culture Committee Chair

On behalf of the Board, I'm pleased to present our remuneration report for FY23. The report outlines the performance and remuneration outcomes for key management personnel (KMP) of the Group for the FY23 year, sets out the key elements of our Remuneration Framework and the changes we plan to put in place for FY24.

The People, Remuneration and Culture Committee (PRCC)

In FY23 the Remuneration Committee reviewed its Charter and scope under a new Chair following the resignation of David Stewart, the former Chair, and its focus now covers all elements relating to People, Remuneration and Culture. Accordingly, it was renamed as the PRCC, underlining the strength and importance of Symbio's unique culture and values.

Our Remuneration Framework

The Remuneration Framework is designed to ensure reward for executive performance is competitive, fit-for-purpose and aligned to the achievement of strategy and shareholder value creation.

The Board has determined that alignment of the reward framework to shareholder value creation is best achieved by providing executives with two variable remuneration incentives:

- a short term incentive (STI) comprised of a balanced scorecard of financial and non-financial metrics aimed at incentivising and rewarding achievement of Symbio's annual financial and non-financial strategic goals and,
- a long term (3-year) equity incentive scheme (LTI) designed to incentivise and reward achievement of profitable, sustainable and recurring growth with vesting based on achievement of two financial metrics.

Most importantly all executives, KMP and non-KMP share the same metrics and targets.

Business Performance

It's been a challenging year for the technology sector globally driven by headwinds which impacted achievement of revenue and growth targets generally and this in turn led to an across-the-board downgrade of the valuations of the technology sector. Symbio was not immune to those winds of change and consequently the remuneration of our Executives was directly impacted. None of the LTI grants issued prior to FY23 met their vesting hurdles. But despite the tough year, the engagement of our people sits at 82%, a result of which we are immensely proud and, notwithstanding the reductions we've made in capex and opex in H2, the team has delivered the bulk of the strategic projects that we identified at the beginning of FY23 aimed at positioning Symbio for a successful FY24.

We continued to be focused on our triple bottom line launching both our ESG and Diversity and Inclusion (DEI) Frameworks in all our locations, and pleasingly we were awarded the Ellect Gold Star for Gender Diversity. Our people, guided by our clear vision and values, are committed to Vision 2030.

On behalf of the Board, we invite you to read the report.

Sincerely

Gail Pemberton AO
Chair of the People, Remuneration and Culture Committee

Introduction and Contents

This Remuneration Report (Report) describes Symbio Holding's executive remuneration framework, as well as the remuneration arrangement for Symbio Holding's key management personnel ('KMPs') for the year ended 30 June 2023.

This Report forms part of the Directors' Report and has been audited in accordance with section 300A of the Corporations Act 2001(Cth) (The Corporations Act) and its regulations.

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Key Management Personnel

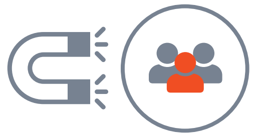
KMP are those persons who, directly or indirectly, have authority and responsibility for planning, directing, and controlling the major activities of the Company and Group.

The table below outlines the KMPs of the Group during FY23.

Name	Role	FY23 term
Anne Ward	Chair (independent, non-executive director)	Full year
Michael Boorne	Non-executive director	Full year
Andy Fung	Non-executive director, Chair of the Nominations Committee	Full year
Gail Pemberton	Independent, non-executive director, Chair of People, Remuneration and Culture Committee	Full year
Leanne Heywood	Independent, non-executive director, Chair of the Audit and Risk Committee	Full year
Rene Sugo	Executive Director and Group CEO	Full year
David Stewart	Independent, non-executive director	To 8 November 2022
Kate Denton	Chief Financial Officer	From 9 February 2023

Changes since the end of the reporting period:
There have been no changes to the above since the end of the reporting period.

Principles of the remuneration framework



The attraction and retention of key skills and abilities is crucial for the long-term success and growth of Symbio, as it ensures access to talented individuals who possess the necessary expertise and capabilities to drive innovation, productivity, and competitiveness.

Fit for purpose reward framework aligns employee remuneration with the company's strategic goals, fosters performance-driven culture for both short term and long-term contributions.

By aligning executive incentives with shareholder interests, the organisation can promote a stronger link between executive performance and company performance, fostering accountability and responsible decision-making at top level that benefits the shareholders and contribute to the overall success and sustainability of the organization.

Is essential for building trust, equity, and responsible decision-making in compensation practices while enhancing the organisation's reputation and commitment to ethical standards.

The objective of the Group's executive remuneration framework is to ensure reward for performance is competitive, fit-for-purpose and aligned to the achievement of strategy and shareholder value creation.

The Board has determined that alignment of the remuneration framework to shareholder value creation is best achieved by:

- delivery of profitable earnings growth,
- focusing on sustained growth in shareholder value, consisting of dividends and growth in the share price,
- delivering constant or increasing return on assets as well as focusing the executive on the key non-financial drivers of value including customer and employee engagement, and
- rewarding strategic execution.

Additionally, the remuneration framework seeks to:

- reward performance;
- reflect competitive reward for contribution to growth in shareholder value;
- provide a clear and transparent reward structure; and
- attract and retain high calibre executives.

In the context of the remuneration framework, references to executives includes both executive KMP and non KMP executives who report to the Group CEO.

Board

The Board approves the design of the Group's Remuneration Policies and Framework which involves;

- Monitoring the performance of Executives;
- Approving Executive KMP remuneration based on the recommendations of the PRCC; and
- Approving the Group Remuneration framework

People, Remuneration and Culture Committee (PRCC)

The People, Remuneration & Culture Committee assists the Board of Symbio Holdings Limited and its subsidiaries to determine the policies in relation to people and culture and oversees the design of the Symbio Group's remuneration framework and setting of annual performance metrics and targets. The Committee also reviews and endorses the remuneration of non-KMP who report directly to the Group CEO. The Committee is also responsible for reviewing and reporting to the Board in respect of whether there is any gender or other inappropriate bias in remuneration for executives, overseeing compliance with statutory responsibilities in relation to remuneration

Remuneration Advisors

The Committee has appointed Ernst & Young (EY) as the external remuneration advisor to the Group. EY Provides independent advice in relation to:

-Market remuneration practices and trends.

-Regulatory framework.

-The design and valuation of equity awards, including tax and accounting advice.

No remuneration recommendations (as defined by the Corporations Act 2001) were requested from or provided by EY or any other advisors.

Management

The Group Chief Executive Officer is responsible for making recommendations to the Committee in relation to the remuneration of the KMP and non-KMP Executives.

Audit and Risk Committee (ARC)

The Audit and Risk Committee has been established to assist the Board of Symbio Holdings Limited to oversee the group's corporate reporting and risk management framework.

Nomination Committee

The Committee's purpose is to identify and recruit new Directors, including the Group CEO as and when considered necessary (as instructed by the People, Remuneration and Culture Committee) to enable the Board to discharge its duties and responsibilities effectively.

Non-Executive Director (NED) remuneration

Fees paid to Non-Executive Directors reflect the demands and responsibilities of their roles, including committee duties. Non-executive Director fees are reviewed annually by the People, Remuneration and Culture Committee (PRCC). The Committee may, from time to time, receive advice from independent remuneration consultants to provide assurance that Non-Executive Director fees are appropriate and in line with the market.

Non-Executive Directors do not receive share options or other incentives.

Committee	Chairman fees $	Member fees[ii] $
Board[i]	200,000	90,000
Audit and Risk Committee	20,000	10,000
People, Remuneration and Culture Committee	20,000	10,000
Nomination Committee	5,000	2,500
	245,000	112,500

(i) Committee membership fees are not payable to the Chairman of the Board.

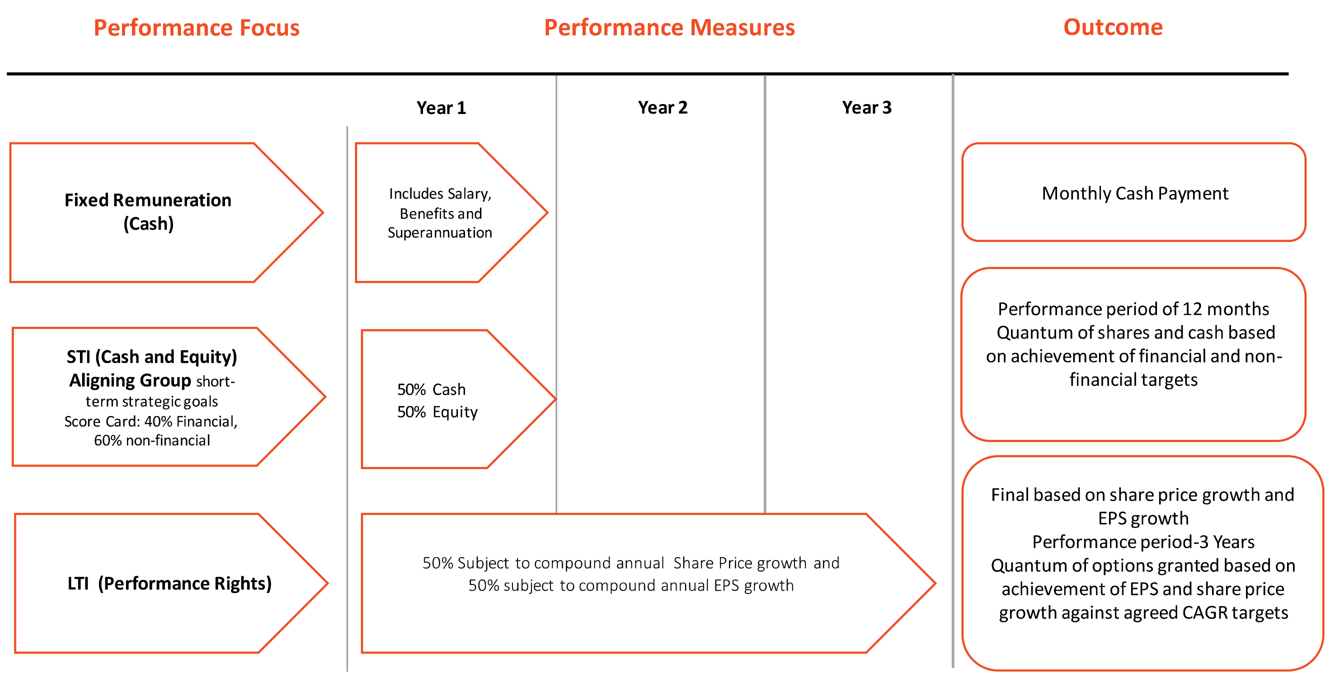
(ii) The fees set out above exclude superannuation payments.

ASX listing rules require the aggregate of Non-Executive Director remuneration be approved by shareholders. The most recent determination was made at the Annual General Meeting held on 8 November 2022, where shareholders approved a maximum annual aggregate remuneration of $950,000. There are no changes being recommended to the size of this pool this calendar year.

Executive KMP remuneration

The Group aims to reward executive KMP based on their position and responsibility, with a level and mix of remuneration which has both fixed and variable components.

The chart below provides a summary of the structure of executive remuneration in FY23:



The executive remuneration framework has four components:

- base pay and non-monetary benefits;
- short-term performance incentives;
- long-term performance incentives (generally in the form of share-based payments); and
- other remuneration such as superannuation and long service leave.

Fixed remuneration

Fixed remuneration consists of base salary, superannuation, and non-monetary benefits. Remuneration is reviewed annually by the PRCC based on external market benchmarking data and internal assessments. These assessments consist of individual skills/performance, any changes in role responsibilities, business unit performance and the overall performance of the Group.

Executives may receive their fixed remuneration in the form of cash and other fringe benefits (for example motor vehicle benefits) where those benefits do not create any additional costs to the Group and provide no additional value to the executive.

Variable remuneration

Variable remuneration awards consisting of Short-term incentives (STIs) and Long-term incentives (LTIs), are reviewed annually by the PRCC to ensure awards align with individual and business unit performance and the Group's short and long term goals.

Details of the short-term incentive ('STI') plan

The STI program is designed to align the targets of each business unit and the Group with the performance objectives of executives. STI payments are granted to executives based on specific annual targets and key performance indicators (KPIs) being achieved. KPIs include EBITDA, customer satisfaction, leadership contribution and strategic execution of projects. STI is delivered in the form of cash and nil-priced options subject to the attainment of these performance targets and KPIs.

As depicted in the diagram above these STI and LTI targets are set at the start of each financial year by the Board and align with the Group's short and long-term strategic goals.

Participants can earn up to 170% of the target opportunity by achieving stretch performance (i.e., significant out-performance against performance measures). The total STI award pool is determined after the end of the financial year following a review of performance against the STI performance measures set and agreed by the Board at the start of the year. The Board approves the final STI award based on this assessment of performance. 50% of the award is paid in cash and the remaining 50% is granted in shares, with the number of shares calculated based on the Company's 5- days volume weighted average share price ('VWAP') on 30 June 2023 (inclusive), within three months from the end of the performance period.

The STI performance achieved for the FY23 year has led to an outcome of 90%, as illustrated in the table below:

KPI's	Performance target weighting	Performance target achieved	% Achieved	STI Achieved
EBITDA	40.00%	Below Threshold	0%	-
Customer Experience	10.00%	Stretch	150%	15.00%
Strategic Projects	40.00%	Stretch	150%	60.00%
Staff Engagement	10.00%	Stretch	150%	15.00%
	100.00%			**90.00%**

FY23 STI Awards paid to KMP

KMP	**On target STI Opportunity (100%)**	**Max STI Opportunity (170%)**	**Actual STI awarded (90%)**
Rene Sugo	29% of total remuneration	49% of total remuneration	26% of total remuneration
Kate Denton	23% of total remuneration	39% of total remuneration	21% of total remuneration

Details of long-term incentive ('LTI') plans

The purpose of the Plan is to:

(a) assist in the reward, retention, and motivation of Eligible Participants; and
(b) align the interests of Eligible Participants with shareholders of the Group.

Change of control

Notwithstanding any other provision of the plan rules, but subject to all applicable laws, regulations, the Listing Rules, and the terms of a Participant's Invitation, if:

- A change of control event occurs:
- Or the Board determines for the purpose of this plan that such a change of control event is likely to occur, the Board may in its absolute discretion determine the way any or all the participant's awards (Whether vested or unvested) and resulting shares (as applicable) will be dealt with.

Cessation of employment

If any participant ceases to be employed prior to the end of the vesting period, all unvested LTI grants will be forfeited unless otherwise determined by the board.

LTI Plans

A new LTI plan was introduced in FY21 with performance hurdles that linked to achievement of a target compound annual growth rate, over a 4-year performance period, for each of share price and EPS.

The LTI plan is a share-based plan offered to KMPs of the Group and other executives.

The FY21 grant was the first grant under this plan. For the FY21 LTI grant, the performance period was 4 years. From FY22 onwards the performance period was changed to 3 years. For the FY23 grant the board changed the equity instrument from options to performance rights, whist retaining the ability to use options in the future, at Board discretion.

The FY21 and FY22 LTI options granted have an exercise price of $5.6790 and $5.4242 respectively. The FY23 LTI grants consisted of two tranches of performance rights, with vesting of each tranche being conditional upon the recipient continuing employment with the Group and meeting the vesting conditions.

Vesting Conditions :

Tranche 1 - **Share Price Growth (50% Weighting)**

The proportion of Tranche 1 options which will vest is subject to the achievement of an agreed compound annual growth rate of the Company's share price (Share Price Growth) during the relevant performance period (Performance Period). The annual Share Price Growth condition for the Tranche 1 Awards will be satisfied in accordance with the following schedule:

Share Price Growth over the Performance Period (Annualised)	**Proportion of Tranche 1 Awards that will satisfy the Share Price Growth performance condition**
Share Price Growth <3%	Nil
Share Price Growth ≥3% & <6%	Progressive pro-rata vesting from 50% to 75% (on a straight-line basis)
Share Price Growth ≥6% & <10%	Progressive pro-rata vesting from 75% to 100% (on a straight-line basis)
Share Price Growth ≥10%	100%

The start price for the Share Price Growth calculation will be $5.6790 (FY21 plan), $5.4242 (FY22 plan) and $3.6319 (FY23 plan) being the 5-day volume weighted average price (**VWAP**) of a Share prior to 1 July 2020, 1 July 2021, and 1 July 2022 (being the first day of the Performance Period). The end price for the Share Price Growth calculation will be the 5-day VWAP of a Share ending on 30 June 2024 (FY21 plan), 30 June 2024 (FY22 plan) and 30 June 2025(FY23 plan) (being the last day of both Performance Period).

Tranche 2 **- EPS Growth (50% weighting)**

The proportion of Tranche 2 options which will vest is subject to the achievement of an agreed compound annual growth in the Company's earnings per share (**EPS Growth**) during the relevant Performance Period. EPS Growth of the Company is measured as the growth in the 'net profit after tax and interest' of the Company (on a per Share basis) annualised over the relevant Performance Period.

The starting EPS for the purpose of the EPS calculation will be 14.88 cents (FY21 plan),18.43 cents (FY22 plan) and 6.81 cents (FY23 plan). The end EPS for the EPS calculation will be calculated following the end of the Performance Period in accordance with the above principles having regard to the FY24 (for FY21 & FY22 plan) and FY25 (FY23 plan) audited annual consolidated accounts.

The EPS Growth condition for the Tranche 2 Awards will be satisfied in accordance with the following schedule:

EPS Growth over the Performance Period (Annualised)	**Proportion of Tranche 2 Awards that will satisfy the EPS performance condition**
EPS Growth <3%	Nil
EPS Growth ≥3% & <6%	Progressive pro-rata vesting from 50% to 75% (on a straight-line basis)
EPS Growth ≥6% & <10%	Progressive pro-rata vesting from 75% to 100% (on a straight-line basis)
EPS Growth ≥ 10%	100%

Group CEO Retention Award

In November 2022 AGM, the shareholders approved a retention grant for the Group CEO. The retention award opportunity is 20% of the Fixed Annual Remuneration (FAR) being $160,000. The Retention Award seeks to motivate the MD and the Group CEO to achieve our ambitious Vision 2030 strategy, and ensuring the Group CEO completes a rigorous leadership development, and succession planning process. The number of performance rights granted was calculated by dividing the Group CEO's maximum FY23 retention award opportunity, by the VWAP of the company's ordinary shares over the 5 trading days up to the date of grant.

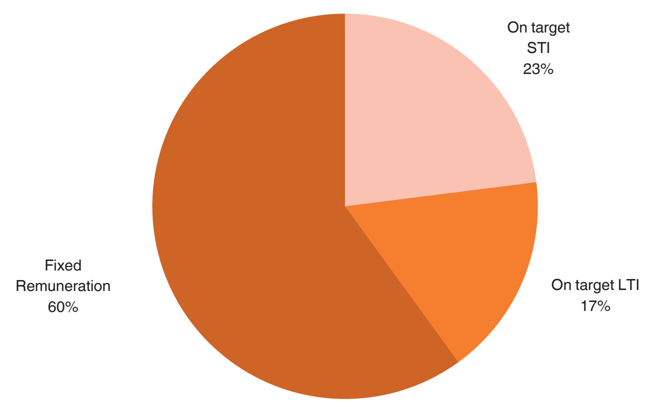
Vesting of these Performance Rights is subject to the Group CEO's continuing employment until the relevant date of vesting and the achievement of key strategic priorities, people leadership and succession objectives needed to achieve Symbio's ambitious Vision 2030 business transformation and evolution.

- 40% are assessed for performance over the 12 months from November 22 to November 23 and
- 60% are assessed for performance over the 24 months from November 22 to November 24.

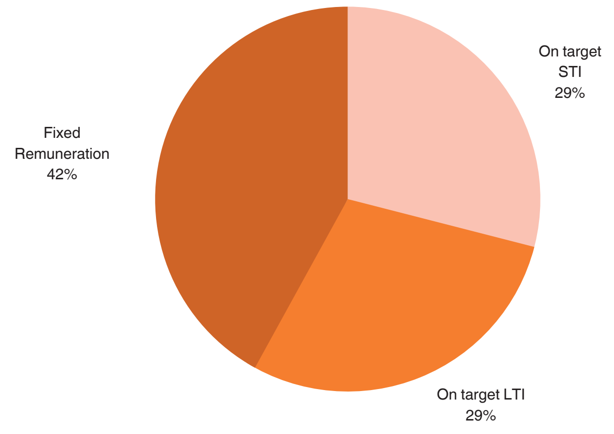
Any Performance Rights that do not vest following testing will lapse.

The below chart illustrates the structured employee entitlements of eligible KMP as a percentage of their fixed remuneration:

CFO remuneration mix for FY2023



Director and Group CEO remuneration mix for FY2023



Use of remuneration consultants

The Group engages remuneration consultants from time to time to provide remuneration benchmarking, market information and specific sector information to guide decision making on remuneration related activities. For FY23 the Group did not engage remuneration consultants.

*Voting and comments made at the Company's Annual General Meeting ('**AGM**') on 8 November 2022 for the FY22 remuneration report.*

At the 2022 AGM, 96.13% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2022. The Company did not receive any specific feedback at the AGM regarding its remuneration practices.

Contractual terms

The Group has entered into an executive employment agreement with the CEO. The remuneration and terms of employment for other key executives are also set out in written agreements. Each of these employment agreements are unlimited in term but may be terminated by written notice of either party or by the Company making payment in lieu of notice.

These agreements set out the arrangements for total fixed remuneration, performance-related cash bonus opportunities, superannuation, termination rights and obligations and eligibility to participate in the employee equity-based incentive scheme. Executive salaries are reviewed annually. The executive employment agreements do not require the Company to increase base salary, incentive bonuses or to continue the participants' participation in equity-based incentive programs. Payment of any STI is at the Board's discretion. The Company may terminate the employment of the key executives without notice or payment in lieu of notice in certain circumstances including but not limited to:

- an act of serious misconduct;
- a material breach of the executive employment agreement; and
- engaging in denigration or any behaviour that may materially damage the reputation of, or otherwise bring the Group into disrepute
- conviction of any criminal offence which would, in the reasonable opinion of the Board, adversely affect the carrying out of the executive's duties.

Details of these agreements are as follows:

Name:	Rene Sugo
Title:	Executive Director and Group CEO
Agreement commenced:	March 2012
Term of agreement:	6 months' notice
Details:	Fixed salary package of $800,000, consisting of base salary and superannuation, reviewed annually by the Board. Eligible to participate in applicable STI, LTI and retention plans. 6 months' notice period by both the parties.

Name:	Kate Denton
Title:	Chief Financial Officer
Agreement commenced:	February 2023
Term of agreement:	3 months' notice
Details:	Fixed salary package of $327,500, consisting of base salary and superannuation, reviewed annually by the Board. Eligible to participate in applicable STI and LTI plans. 3 months' notice period by both the parties.

KMPs have no entitlement to termination payments in the event of removal for misconduct.

Statutory remuneration of KMP's

Details of the remuneration of the KMP of the Group is set out in the following tables:

			Short-term		**Post-Employment benefits**	**Long-Term**	**Share-based payments**	**Total**
	FY	Salaries and wages $	Cash profit share and bonuses accrued and paid [i][ii] $	Other benefits [iii] $	Superannuation $	Long Service Leave Accrual $	STI & LTI schemes [v] $	$
Directors								
Anne Ward	2023	200,000	-	-	21,000	-	-	221,000
	2022	188,636	-	-	18,864	-	-	207,500
Terry Cuthbertson[vi]	2023	-	-	-	-	-	-	-
	2022	13,958	-	-	1,395	-	-	15,353
Michael Boorne	2023	116,250	-	-	11,156	-	-	127,406
	2022	111,250	-	-	10,875	-	-	122,125
Andy Fung	2023	99,375	-	-	10,434	-	-	109,809
	2022	100,625	-	-	10,062	-	-	110,687
David Stewart[iv]	2023	34,716	-	-	3,645	-	-	38,361
	2022	97,500	-	-	9,750	-	-	107,250
Gail Pemberton	2023	116,269	-	-	10,259	-	-	126,528
	2022	96,250	-	-	792	-	-	97,042
Leanne Heywood	2023	115,000	-	-	12,075	-	-	127,075
	2022	35,000	-	-	3,500	-	-	38,500
Executive Director								
Rene Sugo	2023	772,500	180,000	20,995	27,500	32,190	626,021	1,659,206
	2022	715,000	107,250	29,538	25,000	35,736	245,118	1,157,642
Other KMPs								
Kate Denton[viii]	2023	117,500	23,304	2,411	10,771	13,454	35,981	203,421
	2022	-	-	-	-	-	-	-
Chris Last[vii]	2023	-	-	-	-	-	-	-
	2022	270,002	68,910	(15,012)	18,750	-	90,454	433,104
Total	**2023**	**1,571,610**	**203,304**	**23,406**	**106,841**	**45,644**	**662,002**	**2,612,807**
Total	2022	1,628,221	176,160	14,526	98,988	35,736	335,572	2,289,203

(i) STI amounts paid in FY23 relate to the achievement of FY22 targets

(ii) STI amounts accrued in the current financial year are in relation to the FY22 and would be paid in the subsequent financial year, subject to board approval.

(iii) The category "Other benefits" represent other benefits such as car parking, annual leave movements and items including FBT.

(iv) David Stewart resigned from the board on 8 November 2022.

(v) Share-based payment value is the total accounting value of FY21, FY22 and FY23 STI and LTI grants.

(vi) Re-valuation based on updated grant date for accounting valuation for FY21 and FY22 STI and LTI grants.

(vii) Chris Last resigned as Chief Financial Officer on 22 March 2022.

(viii) Kate Denton has been Symbio's Acting CFO since March 2022 and officially appointed as Chief Financial Officer on 9 February 2023. Salary is pro-rated for the period Kate Denton became a KMP.

FY24 Remuneration Changes

The Board conducts a detailed review of our Executive Remuneration Framework each year to ensure our reward and incentive framework remains contemporary and fit for purpose. Following the Board's review in FY23, and having regard to stakeholder feedback, the Board has introduced the below changes for the FY24 LTI program for executives.

- Replacing year on year (YoY) Share Price Growth with YoY Recurring Gross Margin Growth (Recurring margin is recurring revenue, as described in note 4 of the financial statements, net of related network and communications costs, adjusted for disposals and acquisitions as appropriate).

This change is aimed at incentivising executives to drive profitable and predictable growth and reduced revenue volatility. The Boards expectation is that share price growth is strongly correlated with growth in recurring gross margin over the medium term. Additionally, our executives are better placed to influence recurring gross margin growth than direct share price performance.

Share-based compensation

Issue of shares

Details of shares issued to Directors and other KMP as part of compensation during the year ended 30 June 2023 are set out below:

Name	Date	Shares	Issue price	Total Value
Rene Sugo[(i)]	30/06/2023	60,502	$1.8873	114,185
Kate Denton[(ii)]	30/06/2023	4,474	$1.8873	8,444

(i) 60,502 shares awarded to Rene Sugo is related to FY21 and FY22 STI award vested on 30 June 2023.
(ii) 4,474 shares awarded to Kate Denton is related FY22 STI award vested on 30 June 2023.

Options/rights

The terms and conditions of each grant of options over ordinary shares affecting remuneration of Directors and other KMP in this financial year or future reporting years are as follows:

Name	Number of options/rights granted	Grant date	Vesting Date	Expiry date	Exercise price	Fair value per options/rights at grant date
Rene Sugo	30,972	27/07/2021	30/06/2023	30/06/2031	$0.0000	$0.000
Rene Sugo	151,913	23/11/2021	Based on achievement of vesting conditions	30/06/2031	$5.4200	$3.181
Rene Sugo	29,530	2/9/2022	30/06/2023	30/06/2032	$0.0000	$0.000
Rene Sugo	154,188	15/11/2022	Based on achievement of vesting conditions	30/06/2032	$0.0000	$0.000
Rene Sugo	47,568	15/11/2022	Based on achievement of vesting conditions	30/11/2032	$0.0000	$0.000
Kate Denton	4,474	2/9/2022	30/06/2023	30/06/2032	$0.0000	$0.000
Kate Denton	24,574	01/10/2022	Based on achievement of vesting conditions	30/06/2032	$0.0000	$0.000

Options/rights granted carry no dividend or voting rights.

The number of options/rights over ordinary shares granted to and vested by Directors and other KMP as part of compensation during the year ended 30 June 2023 are set out below:

Name	Number of performance rights granted during the year 2023	Number of options granted during the year 2022	Number of options granted during the year 2021	Number of performance rights vested during the year 2023	Number of options vested during the year 2022	Number of options vested during the year 2021
Rene Sugo	231,286	182,885	173,809	60,502	-	-
Kate Denton	29,048	-	-	4,474	-	-

Additional information

The earnings of the Group for the five years to 30 June 2023 are summarised below:

	2023 $'000	2022 $'000	2021 $'000	2020 $'000	2019* $'000
Sales revenue**	210,777	205,025	218,689	230,913	215,587
Profit after income tax**	1,768	14,654	15,578	11,947	9,943

* Restated based on correction of deferred tax made to the 30 June 2019 financial year
** The balance for financial year 2022, 2021 and 2020 is the sum of both continuing and discontinued operations

The factors that are considered to affect total shareholders return ('TSR') are summarised below:

	2023	2022	2021	2020	2019*
Share price at financial year end ($)	2.02	3.50	5.34	5.63	3.85
Total dividends declared (cents per share)	3.40	8.00	7.60	6.10	6.10
Basic earnings per share (cents per share)**	2.08	17.29	18.43	14.88	13.56

* Restated based on correction of deferred tax made to the 30 June 2019 financial year
** The Basic EPS shown here is calculated based on NPAT from both continuing and discontinued operations for financial year 2022, 2021, and 2020.

Additional disclosures relating to key management personnel

Shareholding
The number of shares in the Company held during the financial year by each Director and other members of KMP of the Group, including their personally related parties, is set out below:

	Balance at the start of the year	Received as part of remuneration	Additions	Disposals/ other	Balance at the end of the year
Ordinary shares					
Anne Ward	10,000	-	-	-	10,000
Michael Boorne	1,129,875	-	-	-	1,129,875
Andy Fung	11,462,428	-	-	-	11,462,428
Gail Pemberton	17,140	-	-	-	17,140
Leanne Heywood	-	-	5,000	-	5,000
Rene Sugo	6,755,863	60,502	-	-	6,816,365
David Stewart(1)	251,625	-	-	(251,625)	-
Kate Denton(2)	-	4,474	-	6,137(3)	10,611
	19,626,931	64,976	5,000	(245,488)	19,451,419

(1) David Stewart retired from the Board on 8 November 2022 and accordingly, an Appendix 3Z was notified to the ASX on 8 November 2022.

(2) Kate Denton has been Symbio's Acting CFO since March 2022 and officially appointed as Chief Financial Officer on 9 February 2023.

(3) 6,137 other relates to Kate Denton's share balance prior to her appointment as Chief Financial officer in February 2023

Option holding
The number of options over ordinary shares in the Company held during the financial year by each Director and other members of KMP of the Group, including their personally related parties, is set out below:

	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
Options over ordinary shares					
Rene Sugo	356,694	231,286	(60,052)	-	527,928
Kate Denton	-	29,047	(4,474)	-	24,573
	356,694	260,333	(64,526)	-	552,501

This concludes the remuneration report, which has been audited.

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

Grant date	Expiry date	Exercise price	Number under option
27/10/2020	01/07/2030	$5.63	231,462
23/09/2021	01/07/2031	$5.42	212,333
October 2021	August 2031	$0.00	90,165
October 2021	September 2023	$0.00	303,704
18/11/2021	02/09/2023	$0.00	62,941
December 2021	September 2023	$0.00	35,541
March 2022	February 2032	$0.00	268,275
September 2022	September 2032	$0.00	255,587
11/10/2022	11/10/2032	$0.00	199,893
November 2022	November 2032	$0.00	201,756
15/12/2022	14/12/2032	$0.00	32,258
			1,893,915

No person entitled to exercise the options had or has any right by virtue of the option to participate in any share issue of the Company or of any other body corporate.

Shares issued on the exercise of options
The following ordinary shares of Symbio Holdings Limited were issued during the year ended 30 June 2023 and up to the date of this report on the exercise of options granted:

Grant date	Expiry date	Exercise price	Exercised	Exercised date
01/07/2021	30/06/2031	-	136,262	30/06/2023
15/10/2021	30/08/2031	-	10,018	01/09/2022
October 2021	September 2022	-	101,229	01/09/2022
18/11/2021	02/09/2022	-	18,986	01/09/2022
December 2021	September 2022	-	8,763	01/09/2022
01/03/2022	28/02/2032	-	29,812	01/03/2023
01/07/2022	30/06/2032	-	109,000	30/06/2023
		-	414,070	

Indemnity and insurance of officers
The Company has indemnified the officers and executives of the Company for costs incurred, in their capacity as a Director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the Company paid a premium in respect of a contract to insure the Directors and executives of the Company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

Indemnity and insurance of auditor
The Company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor.

During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

Proceedings on behalf of the Company
No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

Non-audit services
There were no non-audit services provided during the financial year by the auditor.

Officers of the Company who are former partners of Deloitte Touche Tohmatsu
There are no officers of the Company who are former partners of Deloitte Touche Tohmatsu.

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.

Auditor's independence declaration
A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this Directors' report.

This report is made in accordance with a resolution of Directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the Directors

Anne Ward
Chairman

Rene Sugo
Managing Director and Group CEO

28 August 2023
Sydney

Deloitte.

Deloitte Touche Tohmatsu
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28 August 2023

The Board of Directors
Symbio Holdings Limited
Level 4, 580 George Street
Sydney NSW 2000

Dear Board Members

Auditor's Independence Declaration to Symbio Holdings Limited

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

As lead audit partner for the audit of the financial report of Symbio Holdings Limited for the year ended, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- The auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- Any applicable code of professional conduct in relation to the audit.

Yours faithfully

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Pooja Patel

Pooja Patel
Partner
Chartered Accountants

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Consolidated statement of profit or loss and other comprehensive income

	Note	Consolidated 2023 $'000	Consolidated 2022 $'000
Continuing operations			
Revenue	5	210,777	202,599
Other income	6	1,477	736
Expenses			
Network and communication		(111,752)	(107,098)
Employee benefits	7	(54,805)	(48,790)
Depreciation and amortisation	7	(18,841)	(20,014)
Acquisition costs		(668)	(98)
Restructure costs		(950)	(200)
Other expenses	7	(22,441)	(17,684)
Financing costs	7	(1,189)	(1,607)
Profit before income tax benefit/(expense) from continuing operations		1,608	7,844
Income tax benefit/(expense)	8	160	(2,071)
Profit after income tax benefit/(expense) from continuing operations		1,768	5,773
Profit after income tax expense from discontinued operations	9	-	8,881
Profit after income tax benefit/(expense) for the year		1,768	14,654
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation		672	1,354
Other comprehensive income for the year, net of tax		672	1,354
Total comprehensive income for the year		2,440	16,008
Total comprehensive income for the year is attributable to:			
Continuing operations		2,440	7,127
Discontinued operations		-	8,881
		2,440	16,008
		Cents	Cents
Earnings per share from continuing operations			
Basic earnings per share	10	2.08	6.81
Diluted earnings per share	10	2.06	6.72
Earnings per share from discontinued operations			
Basic earnings per share	10	-	10.48
Diluted earnings per share	10	-	10.34
Earnings per share			
Basic earnings per share	10	2.08	17.29
Diluted earnings per share	10	2.06	17.06

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

	Note	Consolidated 2023 $'000	Consolidated 2022 $'000
Assets			
Current assets			
Cash and cash equivalents	11	35,844	42,586
Trade and other receivables	12	42,679	42,104
Inventories	13	1,180	1,280
Income tax refund due	8	3,976	2,311
		83,679	88,281
Assets classified as held for sale	14	556	-
Total current assets		**84,235**	**88,281**
Non-current assets			
Trade and other receivables	12	93	441
Other financial assets	15	7,200	7,200
Property, plant and equipment	16	25,140	25,684
Right-of-use assets	17	12,117	11,875
Intangibles	18	94,724	82,857
Deferred tax asset	8	723	727
Total non-current assets		**139,997**	**128,784**
Total assets		**224,232**	**217,065**
Liabilities			
Current liabilities			
Trade and other payables	19	29,969	30,080
Lease liabilities	21	3,667	2,865
Employee benefits	22	5,318	4,389
Provisions	23	484	420
Customer deposits	24	3,702	1,174
Total current liabilities		**43,140**	**38,928**
Non-current liabilities			
Lease liabilities	21	11,493	11,970
Deferred tax liability	8	3,664	2,810
Employee benefits	22	864	554
Provisions	23	726	764
Total non-current liabilities		**16,747**	**16,098**
Total liabilities		**59,887**	**55,026**
Net assets		**164,345**	**162,039**
Equity			
Issued capital	25	102,579	102,064
Reserves	26	13,402	7,969
Retained profits		48,364	52,006
Total equity		**164,345**	**162,039**

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

Consolidated statement of cash flows

	Note	Consolidated 2023 $'000	2022 $'000
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		227,022	221,373
Payments to suppliers and employees (inclusive of GST)		(197,343)	(188,202)
Interest received		364	92
Interest and other finance costs paid		(1,047)	(1,221)
Income taxes paid		(997)	(7,015)
Net cash from operating activities	38	27,999	25,027
Cash flows from investing activities			
Payment for purchase of business	36	(5,632)	-
Payments for property, plant and equipment	16	(5,132)	(6,314)
Software development costs	18	(16,328)	(10,564)
Proceeds received for sale of businesses		1,712	29,172
Payment for other financial asset		-	(7,200)
Net cash (used in)/from investing activities		(25,380)	5,094
Cash flows from financing activities			
Proceeds from issue of shares	25	509	-
Purchase of treasury shares		(1,662)	(1,249)
Dividends paid	27	(5,410)	(6,441)
Repayment of lease liabilities	38	(3,258)	(3,384)
Net cash used in financing activities		(9,821)	(11,074)
Net (decrease)/increase in cash and cash equivalents		(7,202)	19,047
Cash and cash equivalents at the beginning of the financial year		42,586	22,668
Effects of exchange rate changes on cash and cash equivalents		460	871
Cash and cash equivalents at the end of the financial year	11	35,844	42,586

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

Consolidated statement of changes in equity

Consolidated	Issued capital $'000	Treasury shares $'000	Foreign currency reserve $'000	Share-based payment reserve $'000	Retained profits $'000	Total equity $'000
Balance at 1 July 2021	102,486	-	(1,153)	4,926	43,793	150,052
Profit after income tax expense for the year	-	-	-	-	14,654	14,654
Other comprehensive income for the year, net of tax	-	-	1,354	-	-	1,354
Total comprehensive income for the year	-	-	1,354	-	14,654	16,008
Transactions with members in their capacity as members:						
Share-based payments (note 39)	827	-	-	2,842	-	3,669
Own shares acquired in the year	-	(1,249)	-	-	-	(1,249)
Dividends paid (note 27)	-	-	-	-	(6,441)	(6,441)
Balance at 30 June 2022	103,313	(1,249)	201	7,768	52,006	162,039

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

Consolidated statement of changes in equity (continued)

Consolidated	Issued capital $'000	Treasury shares $'000	Foreign currency reserve $'000	Share-based payment reserve $'000	Retained profits $'000	Total equity $'000
Balance at 1 July 2022	103,313	(1,249)	201	7,768	52,006	162,039
Profit after income tax benefit for the year	-	-	-	-	1,768	1,768
Other comprehensive income for the year, net of tax	-	-	672	-	-	672
Total comprehensive income for the year	-	-	672	-	1,768	2,440
Transactions with members in their capacity as members:						
Shares issued during the year	509	-	-	-	-	509
Share-based payments (note 39)	-	-	-	4,761	-	4,761
Own shares acquired in the year	-	(1,662)	-	-	-	(1,662)
Settlement of earn-out expenses	-	1,668	-	-	-	1,668
Dividends paid (note 27)	-	-	-	-	(5,410)	(5,410)
Balance at 30 June 2023	103,822	(1,243)	873	12,529	48,364	164,345

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

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Notes to the consolidated financial statements

Note 1. General information

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

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

Level 4, 580 George Street
Sydney NSW 2000

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

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 28 August 2023. The Directors have the power to amend and reissue the financial statements.

Note 2. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out either in the respective notes or 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 issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The adoption of these Accounting Standards does not have any material impact for the Group.

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

Basis of preparation
These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention
The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, and derivative financial instruments.

Critical accounting estimates
The preparation of the financial statements 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 statements, are disclosed in note 3.

Parent entity information
In accordance with the Corporations Act 2001, these financial statements present the results of the Group only. Supplementary information about the parent entity is disclosed in note 35.

Note 2. Significant accounting policies (continued)

Principles of consolidation
The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Symbio Holdings Limited ('Company' or 'parent entity') as at 30 June 2023 and the results of all subsidiaries for the year then ended. Symbio Holdings Limited and its subsidiaries together are referred to in these financial statements 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 subsidiaries is accounted for using the acquisition method of accounting. 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.

Foreign currency translation
The financial statements are presented in Australian dollars, which is Symbio Holdings 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.

Note 2. Significant accounting policies (continued)

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.

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 both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

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, it's 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.

Note 2. Significant accounting policies (continued)

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.

Impairment of non-financial assets
Goodwill and other intangible assets that have an indefinite useful life 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.

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.

Note 2. Significant accounting policies (continued)

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Group for the annual reporting period ended 30 June 2023. The Group has not yet assessed the impact of these new or amended Accounting Standards and Interpretations. The standards that may have some relevance are as follows:

AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current

AASB 2020-1 was issued in March 2020 and is applicable to annual periods beginning on or after 1 January 2023, as extended by AASB 2020-6. Early adoption is permitted. This standard amends AASB 101 'Presentation of Financial Statements' to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current. The amendments clarify that a liability is classified as non-current if an entity has the right at the end of the reporting period to defer settlement of the liability for at least 12 months after the reporting period. If the deferral right is conditional, the right only exists if, at the end of the reporting period, those conditions have been complied with. Classification of a liability as non-current is unaffected by the likelihood that the entity will exercise its right to defer settlement of the liability for at least 12 months after the reporting date or even if the entity settles the liability prior to issue of the financial statements. The meaning of settlement of a liability is also clarified.

AASB 2021-2 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates

AASB 2021-2 was issued in March 2021 and is applicable to annual periods beginning on or after 1 January 2023. Early adoption is permitted. This standard amends AASB Standards to improve accounting policy disclosures so that they provide more useful information to investors and users of the financial statements and clarify the distinction between accounting policies and accounting estimates. Specifically, AASB 2021-2 amends:

- AASB 7 Financial Instruments: Disclosures, to clarify that information about measurement bases for financial instruments is expected to be material to an entity's financial statements
- AASB 101 Presentation of Financial Statements, to require entities to disclose their material accounting policy information rather than their significant accounting policies
- AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors, to clarify how entities should distinguish changes in accounting policies and changes in accounting estimates
- AASB 134 Interim Financial Reporting, to identify material accounting policy information as a component of a complete set of financial statements
- AASB Practice Statement 2 Making Materiality Judgements, to provide non-mandatory guidance on how to apply the concept of materiality to accounting policy disclosures.

Note 3. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. 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.

Share-based payment transactions

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using the Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

Note 3. Critical accounting judgements, estimates and assumptions (continued)

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 and historical collection rates.

Estimation of useful lives of assets and intangibles

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 2. 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.

Research and development

Research and development expenses incurred relate to services provided by third parties and internal salaries and on-costs of employees. 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, and the cost can be measured reliably.

Key areas of judgement relate to determining the portion of the internal salary and on-costs that are directly attributable to development of the Group's network capabilities and software, and identifying and assessing the technical feasibility of completing the intangible asset and generating future economic benefits. An impairment loss is recognised if the carrying amount of the development asset exceeds its recoverable amount.

The Group determines the estimated useful lives for the capitalised development costs. The useful lives could change as a result of technical innovations or some other event. The amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete, or no longer in use, and then subsequently written off.

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 assessing the value of the asset at fair value less costs of disposal and using value-in-use models which incorporate a number of key estimates and assumptions.

Income tax

The Group operates across many tax jurisdictions and complies with local tax laws and its transfer pricing policies with respect to its cross-border operations. Application of tax laws can be complex and requires judgement to assess risk and estimate outcomes, particularly in relation to significant transactions and the Group's cross-border operations and transactions. These judgements are subject to risk and uncertainty, hence there is a possibility that changes in circumstances or tax laws will alter expectations, which may impact the amount of tax assets and tax liabilities, including deferred tax, recognised on the balance sheet. Given the inherent uncertainty in assessing tax outcomes of the Group in future periods, there may be adjustments that have a material impact on the Group's result in a particular period.

Recovery of deferred tax assets

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

Note 3. Critical accounting judgements, estimates and assumptions (continued)

Employee benefits provision
A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

Lease make good provision
A provision has been made for the present value of anticipated costs for future restoration of leased premises. The provision includes future cost estimates associated with closure of the premises. The calculation of this provision requires assumptions such as application of closure dates and cost estimates. The provision recognised for each site is periodically reviewed and updated based on the facts and circumstances available at the time. Changes to the estimated future costs for sites are recognised in the statement of financial position by adjusting the asset and the provision. Reductions in the provision that exceed the carrying amount of the asset will be recognised in profit or loss.

Business combinations
As discussed in note 36, business combinations are initially accounted for on a provisional basis. The fair value of assets acquired, liabilities and contingent liabilities assumed are initially estimated by the Group taking into consideration all available information at the reporting date. Fair value adjustments on the finalisation of the business combination accounting is retrospective, where applicable, to the period the combination occurred and may have an impact on the assets and liabilities, depreciation and amortisation reported.

Note 4. Operating segments

Identification of reportable operating segments
These segments are based on the internal reports that are reviewed and used by the Board including the CEO (who is identified as the Chief Operating Decision Maker ‘CODM’), in assessing performance and in determining the allocation of resources.

- **UCaaS – Unified Communications as a Service**

The UCaaS segment is focused on enabling the roll-out and self-service management of enterprise collaboration services (in Australia and the entire APAC region) based on industry leading partnerships with Microsoft Teams and Cisco WebEx. This segment purchases infrastructure from the CPaaS division. The UCaaS segment predominantly operates under the Symbio Enterprise brand.

- **TaaS – Telecom as a Service**

The TaaS segment is focused on providing a digital platform for small service providers (in Australia only) to operate their telecom and managed services business. This division purchases infrastructure from the CPaaS division as well as other industry leading vendors of complementary telecom services. The TaaS segment predominantly operates under the Telcoinabox brand and incorporates the iBoss brand and customer base.

- **CPaaS – Communications Platform as a Service**

The CPaaS division is focused on empowering software companies (in Australia, APAC and globally) and larger infrastructure-based service providers to enable calling and messaging via Symbio hosted phone numbers. The CPaaS division predominantly operates under the Symbio brand. The TNZI brand was rebranded to Symbio in the previous financial year which resulted in the brand's nil net book value as at 30 June 2022.

Note 4. Operating segments (continued)

Discrete financial information for each of these segments is reported to the CODM regularly. The CODM reviews the revenues and the gross margin for their internal decision-making and to assess performance. The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in these financial statements.

Intersegment transactions
Intersegment transactions were made at market rates. Intersegment transactions are eliminated on consolidation.

Consolidated - 2023	Continuing operations UCaaS $'000	Continuing operations TaaS $'000	Continuing operations CPaaS $'000	Continuing operations Total $'000	Discontinued operations Total $'000	Group Total $'000
Rendering of services	14,348	61,633	132,917	208,898	-	208,898
Sale of goods	424	1,433	22	1,879	-	1,879
External revenue	**14,772**	**63,066**	**132,939**	**210,777**	**-**	**210,777**
Inter-segment revenue	9	7,054	8,128	15,191	-	15,191
External and inter-segment revenue	**14,781**	**70,120**	**141,067**	**225,968**	**-**	**225,968**
Network and communication expense	(5,400)	(36,410)	(69,942)	(111,752)	-	(111,752)
Gross margin	**9,372**	**26,656**	**62,997**	**99,025**	**-**	**99,025**
Other income				1,477	-	1,477
Expenses				(98,894)	-	(98,894)
Profit before tax				**1,608**	**-**	**1,608**
Income tax benefit				160	-	160
Profit after tax excluding net gain on sale				**1,768**	**-**	**1,768**
Net gain on disposal of discontinued operations				-	-	-
Group profit after tax				1,768	-	1,768

Note 4. Operating segments (continued)

Consolidated - 2022	Continuing operations UCaaS $'000	Continuing operations TaaS $'000	Continuing operations CPaaS $'000	Continuing operations Total $'000	Discontinued operations Total $'000	Group Total $'000
Rendering of services	9,722	58,660	132,502	200,884	2,385	203,269
Sale of goods	137	1,565	13	1,715	41	1,756
External revenue	**9,859**	**60,225**	**132,515**	**202,599**	**2,426**	**205,025**
Inter-segment revenue	38	8,593	8,616	17,247	28	17,275
External and inter-segment revenue	**9,897**	**68,818**	**141,131**	**219,846**	**2,454**	**222,300**
Network and communication expense	(3,682)	(34,399)	(69,017)	(107,098)	(398)	(107,496)
Gross margin	**6,177**	**25,826**	**63,498**	**95,501**	**2,028**	**97,529**
Other income				736	-	736
Expenses[1]				(88,393)	(2,165)	(90,558)
Profit before tax				**7,844**	**(137)**	**7,707**
Income tax expense/(benefit)				(2,071)	41	(2,030)
Profit after tax excluding net gain on sale				**5,773**	**(96)**	**5,677**
Net gain on disposal of discontinued operations				-	8,977	8,977
Group profit after tax				5,773	8,881	14,654

1. Discontinued operations expenses are made up of employee benefits expense $1,274,000; depreciation and amortisation $504,000; and other expenses $387,000.

Geographical information

Australia and New Zealand are the only individual countries from which the Group derives material revenues. In the current year, the Group derived revenue of $161,480,000 from Australia (2022: $152,594,000) and $24,472,000 from New Zealand (2022: $25,050,000). Of the Group's non-current assets, $125,919,000 (2022: $112,552,000) are located in Australia and $2,673,000 (2022: $3,761,000) are located in New Zealand.

The geographical non-current assets above are exclusive of, where applicable, financial instruments, deferred tax assets, post-employment benefits assets and rights under insurance contracts.

Revenue totals for the financial year have been disaggregated by each operating segment – CPaaS, TaaS, UCaaS – and further into recurring revenue and non-recurring revenue for each segment:

- Recurring revenue comprises revenue from customer contracts that comprise a fixed monthly charge and include intrinsic telecommunications charges associated with that service.
- Non-recurring revenue comprises revenue from customer contracts where the revenue recognised is based purely on telecommunication services consumed each month.

Note 4. Operating segments (continued)

Disaggregation of revenue

	Consolidated 2023 $'000	Consolidated 2022 $'000
Recurring		
UCaaS	14,150	9,859
TaaS	59,011	54,613
CPaaS	48,128	47,764
Total	121,289	112,236
Non-recurring		
UCaaS	622	-
TaaS	4,054	5,611
CPaaS	84,812	84,752
Total	89,488	90,363
Total Continuing operations	210,777	202,599

Accounting policy for 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.

Note 5. Revenue

	Consolidated 2023 $'000	Consolidated 2022 $'000
Rendering of services	208,898	200,884
Sale of goods	1,879	1,715
	210,777	202,599

Refer to note 4 for information on disaggregation of revenue.

Revenue from services provided are recognised over time and revenue from sale of goods are recognised at a point in time.

Revenue from Contracts with Customers
Revenue is measured based on consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control over a good or service to a customer.

The Group provides telecommunication services, including access to communication solutions systems, coupled with telecommunication services and provision of low value hardware, as part of a total business communications solutions.

Primarily, customers pay a monthly charge to access services, plus a fee for usage, customer billing cycles are mainly monthly, with payment following shortly thereafter. This accounts for the majority of the revenue recognised in the Group.

Note 5. Revenue (continued)

Telecommunication services:
Performance obligations for contracts with customers are generally satisfied over time as the Group transfers control of the services to the customers, which is demonstrated by the customer simultaneously receiving and consuming the benefits provided by the Group. The Group use output methods to measure the telecommunication units consumed by customers on a monthly basis, which we consider an appropriate method to capture progress towards the satisfaction of the performance obligation. For the most part, revenue recognition corresponds to the billing cycles, with revenue being recognised based on a right to invoicing. The amount of revenue recognised is based on the amount of transaction price allocated to the performance obligation.

Management and billing services:
Revenue is recognised over the life of the contract beginning when the customer first has access to the communication solutions systems. Revenue is calculated based on the fee per user of the system.

Interconnection fees:
The Group receives interconnection fees based on agreements entered with other telecommunications operators. These revenues are recognised in the period in which the services were rendered using output methods as mentioned above used to monitor progress of satisfaction of the performance obligation being units consumed.

Negotiated changes to monthly recurring amounts (e.g., annual price changes) and/or changes to the pricing of services provided to customers is accounted for on a prospective basis.

Hardware sales:
Hardware purchases, which contribute to a small portion of Group revenue, is accounted for at a point in time when control of the asset is transferred to the customer on receipt of goods.

Note 6. Other income

	Consolidated	
	2023	2022
	$'000	$'000
Other income	1,113	679
Interest on bank deposits	364	57
Other income	1,477	736

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

Interest on bank deposits
Interest on bank deposits 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.

Symbio Holdings Limited
Notes to the consolidated financial statements
30 June 2023

Note 7. Expenses

	Consolidated	
	2023	2022
	$'000	$'000
Profit before income tax from continuing operations includes the following specific expenses:		
Depreciation		
Leasehold improvements	561	840
Network infrastructure and equipment	5,640	5,688
Office furniture and equipment	312	424
Buildings right-of-use assets (see note 17)	3,262	3,316
Depreciation expense reclassed as discontinued operations	-	(329)
Total depreciation	9,775	9,939
Amortisation		
Brands	-	1,823
Customer contracts	1,416	1,626
Software and other assets	2,929	2,921
Software development	4,721	3,880
Amortisation reclassed as discontinued operations	-	(175)
Total amortisation	9,066	10,075
Total depreciation and amortisation	18,841	20,014
Employee benefit expense		
Salaries and wages	42,713	36,971
Superannuation	3,685	3,136
Share-based payment expense	4,761	3,669
Earn-out expenses	-	2,000
Other employee benefit expense	3,646	3,014
Total employee benefits	54,805	48,790
Finance costs		
Interest and finance charges paid/payable on borrowings	617	977
Interest and finance charges paid/payable on lease liabilities	572	630
Total finance costs	1,189	1,607
Other expenses		
Technology and support	8,465	6,768
International partners	5,443	3,400
Legal and consulting	1,079	1,366
Insurance	1,137	1,027
Property	965	979
Accounting, tax and audit	1,157	949
Travel	859	483
Others	3,336	2,712
Total other expenses	22,441	17,684

Note 8. Income tax

	Consolidated 2023 $'000	Consolidated 2022 $'000
Income tax (benefit)/expense		
Current tax	518	3,178
Deferred tax - origination and reversal of temporary differences	(170)	(956)
Adjustment recognised for prior periods	(508)	72
Aggregate income tax (benefit)/expense	(160)	2,294
Income tax (benefit)/expense is attributable to:		
Profit from continuing operations	(160)	2,071
Profit from discontinued operations	-	223
Aggregate income tax (benefit)/expense	(160)	2,294
Deferred tax included in income tax (benefit)/expense comprises:		
Increase in deferred tax assets	(119)	(1,001)
Increase/(decrease) in deferred tax liabilities	(51)	45
Deferred tax - origination and reversal of temporary differences	(170)	(956)
Numerical reconciliation of income tax (benefit)/expense and tax at the statutory rate		
Profit before income tax benefit/(expense) from continuing operations	1,608	7,844
Profit before income tax expense from discontinued operations	-	9,104
	1,608	16,948
Tax at the statutory tax rate of 30%	482	5,084
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Excess tax capital gain on the disposal of part of Direct business	-	2,380
Excess tax capital loss on the disposal of Express Virtual Meetings	-	(4,896)
Share-based payments	-	(230)
R&D tax incentive	(407)	(137)
Other non-temporary differences	24	90
Foreign exchange difference	(18)	-
Foreign jurisdiction tax rate difference	(80)	(69)
Non-deductible employee share options expense	347	-
	348	2,222
Adjustment recognised for prior periods	(508)	72
Income tax (benefit)/expense	(160)	2,294

Note 8. Income tax (continued)

	Consolidated 2023 $'000	Consolidated 2022 $'000
Deferred tax asset		
Deferred tax asset comprises temporary differences attributable to:		
Amounts recognised in profit or loss:		
Employee benefits	3,523	2,745
Accrued expense	(71)	345
Allowance for expected credit losses	372	430
Lease adjustments	279	274
Unrealised foreign exchange gains and losses	75	53
Acquisition and project costs	247	216
Other	12	150
Total deferred tax assets	4,437	4,213
Set-off of deferred tax liabilities pursuant to set-off provisions	(3,714)	(3,486)
Net deferred tax assets	723	727
Opening balance	4,213	3,406
Additions through business combinations	132	-
Credited to profit or loss	119	1,001
Foreign exchange movement	9	18
Adjustment relating to prior periods	(35)	(212)
Closing balance	4,438	4,213
Deferred tax liability		
Deferred tax liability comprises temporary differences attributable to:		
Amounts recognised in profit or loss:		
Property, plant and equipment	3,470	2,990
Intangible assets	215	1,041
Prepayments	7	19
Software development costs	2,163	1,412
Customer contracts	1,542	946
Other	(19)	(112)
Total deferred tax liabilities	7,378	6,296
Set-off of deferred tax liabilities pursuant to set-off provisions	(3,714)	(3,486)
Net deferred tax liabilities	3,664	2,810

Note 8. Income tax (continued)

	Consolidated 2023 $'000	Consolidated 2022 $'000
Movements:		
Opening balance	6,296	6,326
Additions through business combinations	519	-
Charged to profit or loss	(51)	45
Foreign exchange movement	(40)	(45)
Adjustment relating to prior periods	655	(14)
Adjustment in respect of discontinued operations	-	(16)
Closing balance	7,379	6,296

	Consolidated 2023 $'000	Consolidated 2022 $'000
Income tax refund due		
Income tax refund due	3,976	2,311

Accounting policy for 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.

Symbio Holdings Limited and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime. Symbio is identified as the 'head entity' under the tax consolidation regime. 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.

Note 8. Income tax (continued)

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.

Note 9. Discontinued operations

In the Group's 30 June 2022 annual report, the Group confirmed Symbio had completed the sale of part of the direct business to Vonex Ltd on the 9 August 2021.

As at 31 December 2021, the Group entered into a sale agreement with Boardroom Ventures Pty Ltd to sell the conference business operating under the Express Virtual Meetings brand. On 31 January 2022, the sale was completed for $1.

	Direct business operations $'000	Express Virtual Meetings business operations $'000	Total $'000
2022			
Profit after tax from discontinued operations	8,079	802	8,881

Note 9. Discontinued operations (continued)

Direct business operations

Financial performance information

2022	Direct business operations $'000
	-
Revenue	1,594
Expenses	(775)
Profit before income tax	819
Attributable tax expense from operations	(245)
Net gain on disposal of discontinued operations	14,122
Attributable tax expense on disposal	(6,617)
Net profit after income tax expense from discontinued operations	8,079

Carrying amounts of assets and liabilities disposed

	Consolidated 2023 $'000	Consolidated 2022 $'000
Trade and other receivables	-	1,737
Inventories	-	134
Property, plant and equipment	-	23
Goodwill and other intangibles	-	13,824
Total assets	**-**	15,718
Trade and other payables	-	(42)
Provisions	-	(242)
Customer deposits	-	(373)
Total liabilities	**-**	(657)
Net assets	**-**	15,061

Net Cash flow

	Consolidated 2022 $'000
Net cash from operating activities	481
Net cash from investing activities	28,333
Net cash from financing activities	-
Net increase in cash and cash equivalents from discontinued operations	**28,814**

Note 9. Discontinued operations (continued)

Express Virtual Meetings business operations

Financial performance information

Revenue	832
Expenses	(1,788)
Profit/(loss) before income tax	**(956)**
Attributable tax benefit from operations	287
(Loss)/profit after tax from discontinued operations	(669)
Net gain on disposal of discontinued operations	56
Impairment loss on disposal of discontinued operations	(4,937)
Attributable tax on disposal	6,352
Net profit/(loss) after income tax expense from discontinued operations	802

Carrying amounts of assets and liabilities disposed

	Consolidated 2022 $'000
Assets	
Trade and other receivables	146
Liabilities	
Trade and other payables	(13)
Provisions	(126)
Deferred tax liability	(16)
Total Liability	(155)
Net Liabilities	(9)

Net cash flow

	Consolidated 2022 $'000
Net cash inflow/(outflow) from operating activities	164
Net cash outflow from investing activities	(159)
Net cash outflow from financing activities	(69)
Net decrease in cash generated	(64)

Accounting policy for discontinued operations
A discontinued operation is a component of the Group that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately on the face of the statement of profit or loss and other comprehensive income.

Note 10. Earnings per share

	Consolidated 2023 $'000	2022 $'000
Earnings per share from continuing operations		
Profit after income tax	1,768	5,773
Profit after income tax	1,768	5,773
	Cents	Cents
Basic earnings per share	2.08	6.81
Diluted earnings per share	2.06	6.72

	Consolidated 2023 $'000	2022 $'000
Earnings per share from discontinued operations		
Profit after income tax	-	8,881
Profit after income tax	-	8,881
	Cents	Cents
Basic earnings per share	-	10.48
Diluted earnings per share	-	10.34
Earnings per share for profit attributable to the members of the company		
Profit after income tax	1,768	14,654
	Cents	Cents
Basic earnings per share	2.08	17.29
Diluted earnings per share	2.06	17.06
	Number	Number
Weighted average number of ordinary shares		
Weighted average number of ordinary shares used in calculating basic earnings per share	84,901,876	84,754,000
Adjustments for calculation of diluted earnings per share:		
Options over ordinary shares	892,248	1,142,000
Weighted average number of ordinary shares used in calculating diluted earnings per share	85,794,124	85,896,000

Accounting policy for earnings per share

Basic earnings per share
Basic earnings per share is calculated by dividing the profit attributable to the members of Symbio Holdings 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.

Note 10. Earnings per share (continued)

Diluted earnings per share
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of additional ordinary shares that would have been outstanding assuming conversion of all dilutive potential ordinary shares.

Note 11. Cash and cash equivalents

	Consolidated 2023 $'000	2022 $'000
Current assets		
Cash at bank	35,844	42,586

Accounting policy for 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.

Note 12. Trade and other receivables

	Consolidated 2023 $'000	2022 $'000
Current assets		
Trade receivables	37,337	33,030
Less: Allowance for expected credit losses	(1,929)	(1,660)
	35,408	31,370
Other receivables	7,271	10,734
	42,679	42,104
Non-current assets		
Other receivables	93	441
	42,772	42,545

Allowance for expected credit losses
The Group has recognised a loss of $269,000 (2022: $51,000) in profit or loss in respect of the expected credit losses ('ECL') for the year ended 30 June 2023.

	Carrying amount 2023 $'000	Carrying amount 2022 $'000	Allowance for expected credit losses 2023 $'000	Allowance for expected credit losses 2022 $'000
Not overdue	20,149	18,289	(771)	(150)
0 to 3 months overdue	13,785	12,024	(465)	(223)
3 to 5 months overdue	1,789	864	(101)	(135)
Over 5 months overdue	1,614	1,853	(592)	(1,152)
	37,337	33,030	(1,929)	(1,660)

Note 12. Trade and other receivables (continued)

In addition to the provision for expected credit losses, the Group recognises specific provisions for debts that are known or suspected to be bad, regardless of aging. The debtors balance also includes trading agreements that are settled net of creditor balances. For these debtors, the ECL is calculated on the net balance. The Group's ECL provision cannot therefore be calculated using the rates and balances disclosed above.

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

	Consolidated 2023 $'000	Consolidated 2022 $'000
Opening balance	1,660	1,609
Additional provisions recognised	406	-
Other movements	109	184
Receivables written off during the year as uncollectable	(246)	(133)
Closing balance	1,929	1,660

Accounting policy for 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 allowance for expected credit losses. Trade receivables are generally due for settlement within 30 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.

Note 13. Inventories

	Consolidated 2023 $'000	Consolidated 2022 $'000
Current assets		
Goods for resale	466	497
Network and communication inventory	714	783
	1,180	1,280

Accounting policy for inventories
Inventories are stated at the lower of cost and net realisable value. Cost comprises of purchase and delivery costs, net of rebates and discounts received or receivable.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

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Note 14. Assets classified as held for sale

	Consolidated 2023 $'000	Consolidated 2022 $'000
Current assets		
Assets classified as held for sale	556	-

Symbio is in the process of selling its SuperInternet data services in Singapore. A Business Purchase Agreement (BPA) has been executed on June 2023. Completion date is targeted to be within one month of the execution of the BPA. No entity is traded as part of the transaction. Upon signing of the BPA, certain fixed assets relating to the data network in Singapore has been reclassified to Held for Asset in this financial report.

Note 15. Other financial assets

	Consolidated 2023 $'000	Consolidated 2022 $'000
Non-current assets		
Financial asset at fair value through other comprehensive income	7,200	7,200

Reconciliation
Reconciliation of the carrying amounts at the beginning and end of the current and previous financial year are set out below:

	2023	2022
Opening carrying amount	7,200	-
Additions	-	7,200
Closing carrying amount	7,200	7,200

Financial assets at fair value through other comprehensive income (FVTOCI) are not held for trading. Instead, they are held for medium to long-term strategic purposes. Accordingly, the directors of the Group have elected to designate these financial assets as at FVTOCI as they believe that recognising short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes and realising their performance potential in the long run.

Refer to note 29 for further information on fair value measurement.

Accounting policy for financial assets at fair value through other comprehensive income
Financial assets at fair value through other comprehensive income include equity investments which the Group intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

Note 16. Property, plant and equipment

	Consolidated 2023 $'000	Consolidated 2022 $'000
Non-current assets		
Leasehold improvements - at cost	5,825	5,629
Less: Accumulated depreciation	(3,798)	(3,316)
	2,027	2,313
Network infrastructure and equipment - at cost	57,834	57,864
Less: Accumulated depreciation	(39,339)	(37,348)
	18,495	20,516
Office furniture and equipment - at cost	4,953	4,985
Less: Accumulated depreciation	(4,739)	(4,529)
	214	456
Work in progress	4,404	2,399
	25,140	25,684

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

Consolidated	Leasehold improve-ments $'000	Network infrastructure and equipment $'000	Office furniture and equipment $'000	Work in progress $'000	Total $'000
Balance at 1 July 2021	3,213	22,356	1,673	119	27,361
Additions	2	6,098	133	124	6,357
Disposals	-	(23)	(23)	-	(46)
Transfer to intangible asset	-	-	-	(49)	(49)
Exchange differences	19	313	33	4	369
Impairment of assets	(218)	(1,108)	(41)	-	(1,367)
Asset recategorisation*	137	(1,432)	(895)	2,201	11
Depreciation expense	(840)	(5,688)	(424)	-	(6,952)
Balance at 30 June 2022	2,313	20,516	456	2,399	25,684
Additions	315	2,745	82	1,990	5,132
Additions through business combinations (note 36)	-	1,006	-	-	1,006
Classified as held for sale (note 14)	-	(556)	-	-	(556)
Disposals	(53)	12	(17)	-	(58)
Transfer from intangible asset	-	-	-	26	26
Exchange differences	13	412	5	(11)	419
Depreciation expense	(561)	(5,640)	(312)	-	(6,513)
Balance at 30 June 2023	2,027	18,495	214	4,404	25,140

*In the previous year, a review of the fixed asset register was undertaken. Recategorisation to better reflect the nature of assets resulted in reclasses between types of assets within the property, plant and equipment asset class.

Note 16. Property, plant and equipment (continued)

Disposals
Asset disposals relate to equipment that is fully written down to net book value $Nil and is no longer in use. There was no material impact to the profit or loss account in relation to these disposals.

Accounting policy for 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	3-9 years
Network infrastructure and equipment	2-10 years
Office furniture and equipment	3-10 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.

Note 17. Right-of-use assets

	Consolidated 2023 $'000	Consolidated 2022 $'000
Non-current assets		
Land and buildings - right-of-use	22,940	21,532
Less: Accumulated depreciation	(10,823)	(9,657)
	12,117	11,875

Additions to the right-of-use assets during the year were $3,561,000 (2022: $313,000) and expired lease assets were $2,153,000 (2022: $285,000). Addition to the leased liabilities during the year were $3,561,000 (2022: $313,000).

The Group leases land and buildings for its offices under agreements of between three to seven 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 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.

For AASB 16 Lease disclosures refer to:
- note 7 for depreciation on right-of-use assets and interest on lease liabilities;
- note 21 for lease liabilities at year end;
- note 28 for maturity analysis of lease liabilities; and
- consolidated statement of cash flows for repayment of lease liabilities.

Note 17. Right-of-use assets (continued)

Accounting policy for 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.

Note 18. Intangibles

	Consolidated 2023 $'000	Consolidated 2022 $'000
Non-current assets		
Goodwill - at cost	39,700	36,800
Brands - at cost*	672	2,495
Less: Accumulated amortisation	-	(1,823)
	672	672
Customer contracts - at cost	11,024	9,293
Less: Accumulated amortisation	(6,091)	(4,675)
	4,933	4,618
Software and other assets - at cost	26,729	26,729
Less: Accumulated amortisation	(17,190)	(14,261)
	9,539	12,468
Software development - at cost	52,865	36,563
Less: Accumulated amortisation	(12,985)	(8,264)
	39,880	28,299
	94,724	82,857

* The Group wrote off $1,823,000 of fully depreciated brand in the current year, which has nil impact on the net book value.

Note 18. Intangibles (continued)

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

Consolidated	Goodwill $'000	Brands $'000	Customer contracts $'000	Software and other assets $'000	Software development $'000	Total $'000
Balance at 1 July 2021	36,800	5,495	6,268	15,565	23,167	87,295
Additions	-	-	-	-	10,515	10,515
Disposals	-	-	-	-	(1,183)	(1,183)
Transfer from PPE	-	-	-	-	49	49
Impairment of assets	-	(3,000)	(25)	(175)	(369)	(3,569)
Amortisation expense	-	(1,823)	(1,625)	(2,922)	(3,880)	(10,250)
Balance at 30 June 2022	36,800	672	4,618	12,468	28,299	82,857
Additions	-	-	-	-	16,328	16,328
Additions through business combinations (note 36)	2,900	-	1,731	-	-	4,631
Transfers in/(out)	-	-	-	-	(26)	(26)
Amortisation expense	-	-	(1,416)	(2,929)	(4,721)	(9,066)
Balance at 30 June 2023	39,700	672	4,933	9,539	39,880	94,724

Impairment testing
Indefinite useful life intangible assets are allocated to the Group's cash-generating units ('CGU') and tested at least annually.

As at 30 June 2023, the Group has three CGUs, being CPaaS, UCaaS and TaaS. The carrying amount of goodwill and brands are allocated to the CGUs as below:

	Goodwill 2023 $'000	Brands 2023 $'000	Goodwill 2022 $'000	Brands 2022 $'000
CPaaS	19,049	-	19,049	-
TaaS	13,468	672	13,468	672
UCaaS	7,183	-	4,283	-
Total intangible assets	39,700	672	36,800	672

The recoverable amount of the Group's indefinite useful life intangible assets has been determined based on value-in-use (VIU) calculations using cash flow projections based on five-year financial forecasts and assumptions that represent management's best estimate of the range of business and economic conditions at the time. Assets that do not have independent cashflows such as brands, are allocated to CGUs, and then the VIU of the CGU is determined.

VIU represents the present value of the future net cash flow arising from the assets' continued use and subsequent disposal. A reduction in the carrying value is recognised as an expense in the consolidated statement of profit or loss and other comprehensive income in the reporting period in which the impairment loss is incurred.

In determining value in use, management apply their best judgement in establishing forecasts of future operating performance, as well as a selection of growth rates, terminal rates and discount rates. These judgements are applied based on management's understanding of historical information and expectation of future performance.

Note 18. Intangibles (continued)

Key assumptions used
The following describes the key assumptions on which the Group has based its cash flow projections when determining VIU relating to the CGU:

	CPaaS 2023 %	TaaS 2023 %	UCaaS 2023 %	CPaaS 2022 %	TaaS 2022 %	UCaaS 2022 %
Discount rate (post tax)	9.2%	8.6%	11.6%	9.0%	8.4%	11.4%
Terminal value growth rate	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%

The discount rate is based on the Group's weighted average costs of capital adjusted to reflect an estimate of specific risks assumed in the cashflow projections.

The terminal value growth rate is based on the Group's expectation of long-term performance of the CGUs in line with industry expectations. This is used to extrapolate cashflows beyond the five-year period.

The base year of the cash flow projections is based on the board approved financial forecast with the subsequent years reflecting anticipated growth rates.

Judgement has been exercised in considering the Group's FY2023 outlook, which is based on the financial budget approved by the directors. This consideration extends to the nature of the products and services offered, customers, the inherent uncertainty in the timing of new incremental revenue, the global workforce and the economic conditions of the geographic regions in which the Group operates.

The following describes each key assumption on which management had based its cash flow projections when determining the VIU of its CGU:

- the Group will not experience any substantial adverse movements in currency exchange rates;
- the Group's research and development program will ensure that the current suite of products remains competitive; and
- the Group can maintain its current gross margins by product line. The growth is projected at a rate reflective of historical trends, into the future, as detailed below:

  - CPaaS forecasted gross margin growth for year 2 is 8%, year 3 is 12%, year 4 is 13% and year 5 is 14% (FY22: year 2 is 11%, year 3 is 12%, year 4 is 13% and year 5 is 14%).
  - TaaS forecasted gross margin growth for year 2 is -2%, year 3 is 9%, year 4 is 11% and year 5 is 13% (FY22: year 2 is 4%, year 3 is 5%, year 4 is 7% and year 5 is 8%).
  - UCaaS forecasted gross margin growth for year 2 is 15%, year 3 is 22%, year 4 is 22% and year 5 is 22% (FY22: year 2 is 23%, year 3 is 36%, year 4 is 36% and year 5 is 35%).

Other key assumptions used in the VIU calculation includes:

- Management have used assumptions for sales growth rates based on historical trends, normalised for any once-off events not expected to be repeated in the future.
- Operating costs and overheads were forecast based on historical experience of operating margins and interaction with gross margin growth rates, adjusting for inflationary increases.
- Capital expenditure forecast is based on requirement to maintain and expand network infrastructure to support growth assumptions in profit projections.

Based on the results, the headroom of CPaaS is $36,533,000, the headroom of TaaS is $128,691,000 and the headroom of UCaaS is $42,104,000, and therefore no impairment was recognised (30 June 2022: nil).

Sensitivity analysis
The Group has conducted an analysis of the sensitivity of the impairment test to consider any reasonable change in the key assumptions such as the terminal value growth rate and discount rate on which the recoverable amount is based, so determine the recoverable amount for each of the CGUs to which goodwill is allocated.

Note 18. Intangibles (continued)

Any reasonable possible change in the terminal value growth rate and discount rate did not cause the CGU's carrying amount to exceed its recoverable amount.

The forecast and in particular the gross margin is a key judgement in management's impairment assessment. Sensitivities are applied assuming gross margin is moved in isolation from key assumptions above.

For the carrying amount to exceed its recoverable amount, the forecasted gross margin would need to decline year on year by 2.3% for CPaaS, 17.2% for UCaaS and 11.1% for TaaS.

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

Accounting policy for 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.

Brands
Brands are initially recognised at cost and arise on acquisition of a business. Brands are not amortised unless it is resolved by the Group that the brand will be retired. Amortisation is then applied on a straight-line basis over the period of their expected benefit, being their finite life, when it is determined.

Customer contracts
Customer contracts acquired in a business combination are amortised on a straight-line basis over the period of their expected benefit, being their finite life of 5 - 10 years.

Software
Significant costs associated with software are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 3 - 10 years.

Capitalised development costs
Research costs are expensed in the period in which they are incurred. Capitalised development costs represent the up-front costs of developing new products or enhancing existing products to meet customer needs. 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 development; and its costs can be measured reliably.

Capitalised development costs are amortised on a straight-line basis over the period of their expected life, being their finite life of 3 - 10 years, depending on the nature of the intangible.

Note 19. Trade and other payables

	Consolidated	
	2023	2022
	$'000	$'000
Current liabilities		
Trade payables	16,067	14,263
Other creditors and accruals	13,565	15,442
Security deposits held	337	375
	29,969	30,080

Refer to note 28 for further information on financial instruments.

Accounting policy for trade and other payables
Trade and other payables 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.

Note 20. Borrowings

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

	Consolidated	
	2023	2022
	$'000	$'000
Total facilities		
Bank loan	60,000	60,000
Used at the reporting date		
Bank loan	-	-
Unused at the reporting date		
Bank loan	60,000	60,000

- $30 million facility has a maturity date of 31 May 2025
- $30 million facility has a maturity date of 31 May 2027

There is an additional $3 million of the revolving multi-option credit facility that has been utilised as bank guarantees for property leases and supplier securities as required.

Accounting policy for 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.

Note 21. Lease liabilities

	Consolidated	
	2023	2022
	$'000	$'000
Current liabilities		
Lease liability	3,667	2,865
Non-current liabilities		
Lease liability	11,493	11,970
	15,160	14,835

Refer to note 28 for further information on financial instruments.

Accounting policy for 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.

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.

Note 22. Employee benefits

	Consolidated	
	2023	2022
	$'000	$'000
Current liabilities		
Annual leave	3,264	2,921
Long service leave	2,054	1,468
	5,318	4,389
Non-current liabilities		
Long service leave	864	554
	6,182	4,943

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.

Employee benefit obligation expected to be settled 12 months after year end is $3,264,000.

Note 22. Employee benefits (continued)

Accounting policy for employee benefits

Short-term employee benefits
A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Other long-term employee benefits
Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

Note 23. Provisions

	Consolidated	
	2023 $'000	**2022 $'000**
Current liabilities		
Lease make good	342	342
Other	142	78
	484	420
Non-current liabilities		
Lease make good	726	764
	1,210	1,184

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.

Other
The provision represents general provision for various expenditures.

Movements in provisions
Movements in each class of provision during the current financial year are set out below:

Consolidated - 2023	Lease make good $'000	Other $'000
Carrying amount at the start of the year	1,106	78
Additional provisions recognised	-	64
Amounts used	(38)	-
Carrying amount at the end of the year	1,068	142

Note 23. Provisions (continued)

Accounting policy for 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.

Note 24. Customer deposits

	Consolidated	
	2023 $'000	**2022 $'000**
Current liabilities		
Customer deposits	3,702	1,174

Customer deposits mostly relates to cash received in advance from customers with respect to prepaid customer accounts. The balance represents the unused call credits as at balance date.

Note 25. Issued capital

	Consolidated			
	2023 Shares	**2022 Shares**	**2023 $'000**	**2022 $'000**
Ordinary shares - fully paid	85,258,885	84,839,564	102,579	102,064

Movements in ordinary share capital

Details	**Date**	**Shares**	**Issue price**	**$'000**
Balance	1 July 2021	84,672,752		102,486
Issue of shares on the exercise of options	1 January 2022	120,000	$6.8900	827
Issue of shares for staff share plan	11 February 2022	46,812		-
Treasury shares purchased on market held in escrow		-	$0.0000	(1,249)
Balance	30 June 2022	84,839,564		102,064
Employee share plan	10 February 2023	143,712	$0.0000	-
Employee share trust - Equity incentive plan	22 June 2023	275,609	$1.8500	509
Treasury shares acquired		-	$0.0000	(1,662)
Settlement of earn-out expenses		-	$0.0000	1,668
Balance	30 June 2023	85,258,885		102,579

* Shares issued as a result of participation in the Group Dividend Reinvestment Plan.

Share capital movements above are presented net of transaction costs.

Note 25. Issued capital (continued)

Treasury Shares

During this year ended 30 June 2023, 280,008 fully paid ordinary shares at an average price per security of $3.93 were purchased on-market under for the purpose of an employee incentive scheme or to satisfy the entitlements of the holders of options granted under an employee incentive scheme.

	Shares	$'000
Treasury shares acquired	570,617	(1,662)

Ordinary shares
Ordinary shares have the right to receive dividends as declared and in the event of winding up the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held. Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company.

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 is no current on-market share buy-back.

Capital risk management
The Group's objectives when managing capital is 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 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 2022 Annual Report.

Accounting policy for 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.

Note 26. Reserves

	Consolidated 2023 $'000	Consolidated 2022 $'000
Foreign currency reserve	873	201
Share-based payments reserve	12,529	7,768
	13,402	7,969

Financial assets at fair value through other comprehensive income reserve
The reserve is used to recognise increments and decrements in the fair value of financial assets at fair value through other comprehensive income. Refer to note 15 for details on the movement for the year.

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.

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.

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

Consolidated	Foreign currency $'000	Share-based payments $'000	Total $'000
Balance at 1 July 2021	(1,153)	4,926	3,773
Foreign currency translation	1,354	-	1,354
Share-based payments	-	2,842	2,842
Balance at 30 June 2022	201	7,768	7,969
Foreign currency translation	672	-	672
Share-based payments	-	4,761	4,761
Balance at 30 June 2023	873	12,529	13,402

Note 27. Dividends

Dividends
Dividends paid during the financial year were as follows:

	Consolidated 2023 $'000	Consolidated 2022 $'000
Interim dividend for the year ended 30 June 2023 of 1.70 cents (2022: 3.30 cents) per ordinary share	1,444	2,800
Final dividend for the year ended 30 June 2022 of 1.70 cents (2021: 4.30 cents) per ordinary share	1,435	3,641
Special dividend for the year ended 30 June 2022 of 3.00 cents (2021: nil cents) per ordinary share	2,531	-
	5,410	6,441

Note 27. Dividends (continued)

On 28 August 2023, the directors declared a final dividend of 1.7 cents per ordinary share to be paid on 4 October 2023 for the year ended 30 June 2023. This is a total estimated distribution of $1,449,000 based on the number of ordinary shares on issue as at 30 June 2023. These dividends were fully franked.

Franking credits

	Consolidated 2023 $'000	Consolidated 2022 $'000
Franking credits available for subsequent financial years based on a tax rate of 30%	17,250	19,253

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

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

Note 28. Financial instruments

Financial risk management objectives
The Group's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price 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.

Financial risk management is carried out by senior finance executives ('finance'), including identification and analysis of the risk exposure of the Group and implementing appropriate procedures, controls and risk limits. Finance identifies, evaluates and hedges financial risks within the Group. Finance reports to the Board on a monthly basis.

Market risk

Foreign currency risk
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 Group is not exposed to any significant foreign currency risk.

Price risk
The Group is not exposed to any significant price risk related to financial instruments.

Interest rate risk
Interest rate risk arises from long-term borrowings. The Group has not used any of its borrowing facilities and is therefore not exposed to any significant interest rate risk.

Note 28. Financial instruments (continued)

Credit risk
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.

The Group has trading agreements with certain trade debtors to offset its creditor balances and settle on a net basis. For these debtors, the Group's exposure to credit risk is limited to the net balance. The Group determines the expected credit loss separately to the fixed rates of credit loss provisioning.

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.

Allowance for expected credit losses
The Group has recognised a loss of $269,000 (2022: $51,000) in profit or loss in respect of the expected credit losses for the year ended 30 June 2023.

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 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:

	Consolidated 2023 $'000	Consolidated 2022 $'000
Bank loan	60,000	60,000

	Consolidated 2023 $'000	Consolidated 2022 $'000
Term deposit		
No later than 1 month	10,000	17,000
Later than 1 and not later than 3 months	-	-
Later than 3 and not longer than 12 months	-	-
Longer than 1 year	-	-
	10,000	17,000

Note 28. Financial instruments (continued)

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.

Consolidated - 2023	1 year or less $'000	Between 1 and 2 years $'000	Between 2 and 5 years $'000	Over 5 years $'000	Remaining contractual maturities $'000
Non-derivatives					
Non-interest bearing					
Trade payables	16,067	-	-	-	16,067
Other payables	13,565	-	-	-	13,565
Deposits	337	-	-	-	337
Total non-derivatives	29,969	-	-	-	29,969

Consolidated - 2022	1 year or less $'000	Between 1 and 2 years $'000	Between 2 and 5 years $'000	Over 5 years $'000	Remaining contractual maturities $'000
Non-derivatives					
Non-interest bearing					
Trade payables	14,263	-	-	-	14,263
Other payables	15,442	-	-	-	15,442
Deposits	375	-	-	-	375
Total non-derivatives	30,080	-	-	-	30,080

Maturity analysis of lease liabilities

	1 year or less	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
Lease liabilities	3,667	3,790	7,703	-	15,160

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Fair value of financial instruments

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

Note 29. 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 entity 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

Consolidated - 2023	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Assets				
Ordinary shares	-	-	-	-
Financial asset at fair value through other comprehensive income	-	-	7,200	7,200
Total assets	-	-	7,200	7,200

Consolidated - 2022	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Assets				
Financial asset at fair value through other comprehensive income	-	-	7,200	7,200
Total assets	-	-	7,200	7,200

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.

The carrying amounts of trade and other receivables and trade and other payables are assumed to 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.

Valuation techniques for fair value measurements categorised within level 2 and level 3
Unquoted investments have been valued using a discounted cash flow model.

The other financial asset of $7,200,000 was acquired at fair value and there are no current indicators that suggest changes to the fair value at 30 June 2023. Therefore, no movement to the financial asset has been recognised in other comprehensive income for the year ended 30 June 2023.

Accounting policy for 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 used to measure fair value are those that are appropriate in the circumstances and which maximise the use of relevant observable inputs and minimise the use of unobservable inputs.

Note 29. Fair value measurement (continued)

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.

Note 30. Key management personnel disclosures

Compensation
The aggregate compensation made to Directors and other members of key management personnel ('KMP') of the Group is set out below:

	Consolidated	
	2023 $	2022 $
Short-term benefits	1,798,320	1,818,907
Post-employment benefits	106,841	98,988
Long-term benefits	45,644	35,736
Share-based payments	662,002	335,572
	2,612,807	2,289,203

Note 31. 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, and unrelated firms:

	Consolidated	
	2023 $	2022 $
Audit services - Deloitte Touche Tohmatsu		
Audit or review of the financial statements		
Group base fee	443,200	412,002
Group other audit related fees	55,000	110,000
Non-audit service	-	-
	498,200	522,002
Audit services - others		
Audit or review of the financial statements	106,178	72,678

Note 32. Contingent liabilities

The Group had no material contingent liabilities as at 30 June 2023 and 30 June 2022.

Note 33. Commitments

The Group had no material capital commitments as at 30 June 2023 and 30 June 2022.

Note 34. Related party transactions

Parent entity
Symbio Holdings Limited is the parent entity.

Key management personnel
Disclosures relating to KMP are set out in note 30 and the remuneration report included in the Directors' report.

Transactions with related parties
The Board has determined that it is appropriate for Directors to disclose related party transactions regardless of materiality. During the year ended 30June 2023, transactions in which Directors (including associates and related parties of Directors) had an interest were:

- Migration services provided by Amber (Asia) Pty Ltd trading as Amber Migration (related to Mr Andy Fung) - $18,488.50; and
- Subleasing of office space in New Zealand by Picobyte Solutions Limited to subsidiary Symbio Wholesale NZ Limited (Mr Rene Sugo is a Director and Shareholder of Picobyte Solutions Limited) - NZD$24,188.40.

During the year, the Company also paid fees to Communications Alliance Ltd and Industry Number Management Services Limited of $66,385.00 and $270,131.32 respectively. Mr Sugo is an alternate director on both of these companies. The companies are peak industry bodies in which Mr Sugo contributes his skill and expertise to benefit all industry participants. All fees levied are regulated fees for industry services. Mr Sugo receives no financial benefit for his contribution as an alternate director.

Receivable from and payable to related parties
There were no material trade receivables from or material 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 35. Parent entity

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

Statement of profit or loss and other comprehensive income

	Parent	
	2023 $'000	2022 (Restated) $'000
Profit after income tax	6,542	6,797
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income	6,542	6,797

Note 35. Parent entity (continued)

Statement of financial position

	Parent 2023 $'000	Parent 2022 (Restated) $'000
Total current assets	27,879	35,622
Total non-current assets	120,665	105,863
Total assets	148,544	141,485
Total current liabilities	5,874	5,952
Total non-current liabilities	10,528	9,800
Total liabilities	16,402	15,752
Net assets	132,142	125,733
Equity		
Issued capital	107,394	106,879
Reserves	12,529	7,768
Retained profits	12,219	11,086
Total equity	132,142	125,733

Historic payments from subsidiaries within the group were incorrectly accounted as intercompany loans rather than income from subsidiaries. The cumulative impact of this correctios as at 30 June 2022 is as follows:

- Understatement of profit after income tax of $12,324,000 with the restated balance being profit after income tax of $6,797,000.
- Overstatement of non-current liabilities of $87,662,000 with the restated balance being $9,800,000
- Overstatement of accumulated losses of $87,662,000 which the restatement balance being accumulated profits of $11,086,000

Financial statement line item	Pre adjustment $'000	Adjustment $'000	Post adjustment $'000
Profit/(loss) after income tax	(5,527)	12,324	6,797
Total Non-Current Liabilities	97,462	(87,662)	9,800
(Accumulated Losses)/Retained earnings	(76,576)	87,662	11,086

This restatement does not have an impact on the consolidated Group's profit before tax, net assets, cashflows and/or equity balances or on the ability to pay franked dividends.

It has been identified that certain subsidiary dividend payments were accounted for as intercompany loans and as such did not flow through the retained earnings of the parent entity. This has been corrected and the parent entity note disclosure restated accordingly.

Note 35. Parent entity (continued)

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries
There were no new guarantees as at 30 June 2023. The Company has a guarantee to Telstra Corporation Limited. This guarantee covers all primary obligations including any debts of its wholly owned subsidiaries. It does not impose any greater liability of the Company than is already in place for the subsidiaries collectively.

Contingent liabilities
The parent entity had no contingent liabilities as at 30 June 2023 and 30 June 2022.

Capital commitments - Property, plant and equipment
The parent entity had no capital commitments for property, plant and equipment as at 30 June 2023 and 30 June 2022.

Significant accounting policies
The accounting policies of the parent entity are consistent with those of the Group, as disclosed in note 2, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.
- Investments in associates 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 36. Business combinations

Acquisition during the year ended June 2023

On 31 January 2023, the Group purchased Intrado Australia's cisco-focused end-to-end cloud calling, contact centre and collaboration business for a total of $5,632,000, which was fully settled in cash, of which $525,000 is held in escrow. There is no legal entity which has been acquired through the transaction.

The deal adds approximately 60,000 seats to Symbio's UCaaS division, via existing partners and direct customers effectively doubling the existing enterprise seats and helping to consolidate the market position of this fast-growing business unit. The acquired business contributed revenues of $5,552,000 and net profit before tax of $1,213,000 to the Group for the period from 1 February to 30 June 2023. If the acquisition occurred on 1 July 2022, the full year contributions would have been revenues of $13,325,000 and profit before tax of $2,910,000.

Note 36. Business combinations (continued)

The assets and liabilities recognised as a result of the acquisition are as follows:

	Fair value $'000
Trade receivables*	2,562
Plant and equipment	1,006
Intangibles	1,731
Deferred tax asset	132
Trade payables	(464)
Deferred tax liability	(519)
Current employee benefits	(440)
Non-current employee benefits	(274)
Deferred revenue	(1,002)
Net assets acquired	2,732
Goodwill	2,900
Acquisition-date fair value of the total consideration transferred	5,632
Representing:	
Cash paid or payable to vendor	5,632
Cash used to acquire business, net of cash acquired:	
Acquisition-date fair value of the total consideration transferred	5,632

*Trade and other receivables have a contractual amount of $2,635,000. The Group's best estimate at acquisition date of cash flow not expected to be collected is $73,000.

The goodwill of $2,900,000 from the acquisition represents the expected synergies from the business combination from which the goodwill arose.

Accounting policy for business combinations
The acquisition method of accounting is used to account for business combinations regardless of whether equity instruments or other assets are acquired.

The consideration transferred is the sum of the acquisition-date fair values of the assets transferred, equity instruments issued or liabilities incurred by the acquirer to former owners of the acquiree and the amount of any non-controlling interest in the acquiree. For each business combination, the non-controlling interest in the acquiree is measured at either fair value or at the proportionate share of the acquiree's identifiable net assets. All acquisition costs are expensed as incurred to profit or loss.

On the acquisition of a business, the Group assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, the Group's operating or accounting policies and other pertinent conditions in existence at the acquisition-date.

Where the business combination is achieved in stages, the Group remeasures its previously held equity interest in the acquiree at the acquisition-date fair value and the difference between the fair value and the previous carrying amount is recognised in profit or loss.

Contingent consideration to be transferred by the acquirer is recognised at the acquisition-date fair value. Subsequent changes in the fair value of the contingent consideration classified as an asset or liability is recognised in profit or loss. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity.

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Note 36. Business combinations (continued)

The difference between the acquisition-date fair value of assets acquired, liabilities assumed and any non-controlling interest in the acquiree and the fair value of the consideration transferred and the fair value of any pre-existing investment in the acquiree is recognised as goodwill. If the consideration transferred and the pre-existing fair value is less than the fair value of the identifiable net assets acquired, being a bargain purchase to the acquirer, the difference is recognised as a gain directly in profit or loss by the acquirer on the acquisition-date, but only after a reassessment of the identification and measurement of the net assets acquired, the non-controlling interest in the acquiree, if any, the consideration transferred and the acquirer's previously held equity interest in the acquirer.

Business combinations are initially accounted for on a provisional basis. The acquirer retrospectively adjusts the provisional amounts recognised and also recognises additional assets or liabilities during the measurement period, based on new information obtained about the facts and circumstances that existed at the acquisition-date. The measurement period ends on either the earlier of (i) 12 months from the date of the acquisition or (ii) when the acquirer receives all the information possible to determine fair value.

Note 37. Interests in subsidiaries

Name	Principal place of business / Country of incorporation	Ownership interest 2023 %	Ownership interest 2022 %
Comms Code Pty Limited	Australia	100.00	100.00
Conference Call Asia Pty Limited	Australia	100.00	100.00
Conference Call International Pty Limited	Australia	100.00	100.00
Eureka Teleconferencing Pty Limited	Australia	100.00	100.00
Internex Australia Pty Limited	Australia	100.00	100.00
IVox Pty Limited	Australia	100.00	100.00
Mobile Service Solutions Pty Limited	Australia	100.00	100.00
Symbio Global Pty Limited	Australia	100.00	100.00
Neural Networks Pty Limited	Australia	100.00	100.00
Ozlink Conferencing Pty Limited	Australia	100.00	100.00
Superinternet (S) Pte Limited	Singapore	100.00	100.00
Superinternet Access Pte Limited	Singapore	100.00	100.00
Symbio Holdings Malaysia Sdn. Bhd.	Malaysia	100.00	100.00
Symbio Networks Malaysia Sdn. Bhd.	Malaysia	100.00	100.00
Symbio Networks Pty Limited	Australia	100.00	100.00
Symbio Wholesale (Singapore) Pte Limited	Singapore	100.00	100.00
Symbio Wholesale NZ Pty Limited	New Zealand	100.00	100.00
Symbio Wholesale Pty Limited	Australia	100.00	100.00
Tariff Expert Pty Limited	Australia	100.00	100.00
Telcoinabox Operations Pty Limited	Australia	100.00	100.00
TNZI Australia Pty Limited	Australia	100.00	100.00
TNZI International Pty Limited	Australia	100.00	100.00
Symbio Networks New Zealand Limited	New Zealand	100.00	100.00
TNZI Singapore Pte Limited	Singapore	100.00	100.00
Symbio Networks UK Limited	United Kingdom	100.00	100.00
Symbio Networks USA LLC	USA	100.00	100.00

(i) My Net Fone Australia Pty Limited changed its name to Symbio Global Pty Limited on 24 October 2022.
(ii) TNZI New Zealand Limited changed its name to Symbio Networks New Zealand Limited on 1 July 2022.
(iii) TNZI UK Limited changed its name to Symbio Networks UK Limited on 1 July 2022.
(iv) TNZI USA LLC changed its name to Symbio Networks USA LLC on 1 July 2022.

Note 38. Cash flow information

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

	Consolidated 2023 $'000	Consolidated 2022 $'000
Profit after income tax benefit/(expense) for the year	1,768	14,654
Adjustments for:		
Depreciation and amortisation	18,841	20,518
Share-based payments	4,761	3,669
Earn-out expenses	-	2,000
Gain on sale of business	-	(14,490)
Impairment of investments	-	4,937
Change in operating assets and liabilities:		
Increase in trade and other receivables	421	(2,502)
Decrease in inventories	101	61
Decrease/(increase) in deferred tax assets	144	(747)
Increase in trade and other payables	1,217	1,469
Increase/(decrease) in customer deposits	1,513	(423)
Increase/(decrease) in provisions and employee benefits	529	(153)
Decrease in provision for income tax	(1,672)	(3,955)
Increase/(decrease) in deferred tax liabilities	376	(11)
Net cash from operating activities	27,999	25,027

Non-cash investing and financing activities

	2023 $'000	2022 $'000
Additions to the right-of-use assets	3,561	307

Changes in liabilities arising from financing activities

Consolidated	Lease liability $'000
Balance at 1 July 2021	17,857
Addition of leases	313
Exchange differences	49
Repayment of leases	(3,384)
Balance at 30 June 2022	14,835
Addition of leases	3,561
Exchange differences	22
Repayment of leases	(3,258)
Balance at 30 June 2023	15,160

Note 39. Share-based payments

Employee option plan (EOP)

The Board may issue options under the EOP to any employee of the Group, including executive directors and non-executive directors. Options are issued as part of an employee's remuneration unless the Board determines otherwise. Each option is to subscribe for one share and when issued, the shares will rank equally with other shares. Unless the terms on which an option was offered specify otherwise, an option may be exercised at any time after one year from the date it is granted, provided the employee is still employed by the Company.

Note 39. Share-based payments (continued)

An option may also be exercised in special circumstances, that is, at any time within six months after the employee's death, total and permanent disablement, or retrenchment. An option lapses upon the termination of the employee's employment by the Company and, unless the terms of the offer of the option specify otherwise, lapses three years after the date upon which it was granted.

The maximum number of options on issue under the EOP must not at any time exceed 5% of the total number of shares on issue at that time. Set out below are summaries of options granted under the plan:

2023 Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
27/10/2020	1/07/2030	$5.63	500,312	-	-	(268,850)	231,462
1/07/2021	30/06/2031	$0.00	137,013	-	(136,262)	(751)	-
23/09/2021	1/07/2031	$5.42	458,136	-	-	(245,803)	212,333
15/10/2021	30/08/2031	$0.00	10,018	-	(10,018)	-	-
15/10/2021	30/08/2031	$0.00	25,047	-	-	-	25,047
15/10/2021	30/08/2031	$0.00	65,118	-	-	-	65,118
14/10/2021	2/09/2022	$0.00	26,013	-	(23,504)	(2,509)	-
14/10/2021	2/09/2023	$0.00	78,044	-	-	(7,527)	70,517
15/10/2021	2/09/2022	$0.00	25,328	-	(21,924)	(3,404)	-
15/10/2021	2/09/2023	$0.00	75,988	-	-	(10,213)	65,775
18/10/2021	2/09/2022	$0.00	16,976	-	(12,746)	(4,230)	-
18/10/2021	2/09/2023	$0.00	50,927	-	-	(12,691)	38,236
19/10/2021	2/09/2022	$0.00	46,336	-	(43,055)	(3,281)	-
19/10/2021	2/09/2023	$0.00	139,019	-	-	(9,843)	129,176
18/11/2021	2/09/2022	$0.00	21,736	-	(18,986)	(2,750)	-
18/11/2021	2/09/2023	$0.00	71,431	-	-	(8,490)	62,941
10/12/2021	2/09/2022	$0.00	7,121	-	(7,121)	-	-
10/12/2021	2/09/2023	$0.00	28,490	-	-	-	28,490
20/12/2021	2/09/2022	$0.00	959	-	(959)	-	-
20/12/2021	2/09/2023	$0.00	4,317	-	-	-	4,317
23/12/2021	2/09/2022	$0.00	683	-	(683)	-	-
23/12/2021	2/09/2023	$0.00	2,734	-	-	-	2,734
1/03/2022	28/02/2032	$0.00	32,340	-	(29,812)	(2,528)	-
1/03/2022	28/02/2032	$0.00	80,850	-	-	(6,321)	74,529
1/03/2022	28/02/2032	$0.00	210,179	-	-	(16,433)	193,746
1/07/2022	30/06/2023	$0.00	-	113,302	(109,000)	(4,302)	-
11/10/2022	11/10/2032	$0.00	-	295,437	-	(95,544)	199,893
8/11/2022	8/11/2032	$0.00	-	154,188	-	-	154,188
12/09/2022	11/09/2032	$0.00	-	25,561	-	-	25,561
12/09/2022	11/09/2032	$0.00	-	63,898	-	-	63,898
13/09/2022	12/09/2032	$0.00	-	166,128	-	-	166,128
9/11/2022	8/11/2032	$0.00	-	19,027	-	-	19,027
9/11/2022	8/11/2032	$0.00	-	28,541	-	-	28,541
15/12/2022	14/12/2032	$0.00	-	32,258	-	-	32,258
			2,115,115	898,340	(414,070)	(705,470)	1,893,915
Weighted average exercise price			$2.51	$0.00		$4.03	$1.30

Note 39. Share-based payments (continued)

2022 Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
11/12/2018	30/06/2022	$0.00	120,000	-	(120,000)	-	-
27/10/2020	1/07/2030	$5.63	561,726	-	-	(61,414)	500,312
1/07/2021	30/06/2031	$0.00	-	137,013	-	-	137,013
23/09/2021	1/07/2031	$5.42	-	556,917	-	(98,781)	458,136
15/10/2021	30/08/2031	$0.00	-	10,018	-	-	10,018
15/10/2021	30/08/2031	$0.00	-	25,047	-	-	25,047
15/10/2021	30/08/2031	$0.00	-	65,118	-	-	65,118
14/10/2021	2/09/2022	$0.00	-	26,013	-	-	26,013
14/10/2021	2/09/2023	$0.00	-	78,044	-	-	78,044
15/10/2021	2/09/2022	$0.00	-	30,519	-	(5,191)	25,328
15/10/2021	2/09/2023	$0.00	-	91,562	-	(15,574)	75,988
18/10/2021	2/09/2022	$0.00	-	16,976	-	-	16,976
18/10/2021	2/09/2023	$0.00	-	50,927	-	-	50,927
19/10/2021	2/09/2022	$0.00	-	50,844	-	(4,508)	46,336
19/10/2021	2/09/2023	$0.00	-	152,545	-	(13,526)	139,019
18/11/2021	2/09/2022	$0.00	-	23,814	-	(2,078)	21,736
18/11/2021	2/09/2023	$0.00	-	78,626	-	(7,195)	71,431
10/12/2021	2/09/2022	$0.00	-	8,107	-	(986)	7,121
10/12/2021	2/09/2023	$0.00	-	32,433	-	(3,943)	28,490
20/12/2021	2/09/2022	$0.00	-	959	-	-	959
20/12/2021	2/09/2023	$0.00	-	4,317	-	-	4,317
23/12/2021	2/09/2022	$0.00	-	1,738	-	(1,055)	683
23/12/2021	2/09/2023	$0.00	-	7,483	-	(4,749)	2,734
1/03/2022	28/02/2032	$0.00	-	32,340	-	-	32,340
1/03/2022	28/02/2032	$0.00	-	80,850	-	-	80,850
1/03/2022	28/02/2032	$0.00	-	210,179	-	-	210,179
			681,726	1,772,389	(120,000)	(219,000)	2,115,115
Weighted average exercise price			$4.64	$1.70		$4.02	$2.51

The weighted average share price during the financial year was $1.30 (2022: $2.51).

The weighted average remaining contractual life of options outstanding at the end of the financial year was 10 years (2022: 10 years).

Note 39. Share-based payments (continued)

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

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility %	Dividend yield %	Risk-free interest rate %	Fair value at grant date
		$0.00	$0.00	-	-	-	$0.0000
23/09/2021	1/07/2031	$5.42	$5.42	40.00%	1.40%	0.79%	$2.2303
23/09/2021	1/07/2031	$5.42	$5.42	40.00%	1.40%	0.86%	$2.1308
15/10/2021	30/08/2031	$6.66	$0.00	-	1.14%	-	$6.5900
15/10/2021	30/08/2031	$6.66	$0.00	-	1.14%	-	$6.5200
15/10/2021	30/08/2031	$6.66	$0.00	-	1.14%	-	$6.4500
14/10/2021	2/09/2022	$6.43	$0.00	-	1.18%	-	$6.3600
14/10/2021	2/09/2023	$6.43	$0.00	-	1.18%	-	$6.2900
15/10/2021	2/09/2022	$6.66	$0.00	-	1.14%	-	$6.5900
15/10/2021	2/09/2023	$6.66	$0.00	-	1.14%	-	$6.5200
18/10/2021	2/09/2022	$6.99	$0.00	-	1.09%	-	$6.9200
18/10/2021	2/09/2023	$6.99	$0.00	-	1.09%	-	$6.8500
19/10/2021	2/09/2022	$7.00	$0.00	-	1.09%	-	$6.9300
19/10/2021	2/09/2023	$7.00	$0.00	-	1.09%	-	$6.8600
18/11/2021	2/09/2022	$7.36	$0.00	-	1.03%	-	$7.3000
18/11/2021	2/09/2023	$7.36	$0.00	-	1.03%	-	$7.2300
10/12/2021	2/09/2022	$6.95	$0.00	-	1.09%	-	$6.9000
10/12/2021	2/09/2023	$6.95	$0.00	-	1.09%	-	$6.8200
20/12/2021	2/09/2022	$6.61	$0.00	-	1.15%	-	$6.5600
20/12/2021	2/09/2023	$6.61	$0.00	-	1.15%	-	$6.4800
23/12/2021	2/09/2022	$6.68	$0.00	-	1.14%	-	$6.6300
23/12/2021	2/09/2023	$6.68	$0.00	-	1.14%	-	$6.5500
1/03/2022	28/02/2032	$5.35	$0.00	-	1.42%	-	$5.6500
1/03/2022	28/02/2032	$5.35	$0.00	-	1.42%	-	$5.5800
1/03/2022	28/02/2032	$5.35	$0.00	-	1.42%	-	$5.5100
11/10/2022	11/10/2032	$3.32	$0.00	36.00%	1.42%	3.47%	$3.1951
11/10/2022	11/10/2032	$3.32	$0.00	36.00%	1.42%	3.47%	$2.2214
8/11/2022	8/11/2032	$3.39	$0.00	36.00%	1.40%	3.46%	$3.2676
8/11/2022	8/11/2032	$3.39	$0.00	36.00%	1.40%	3.46%	$2.3018
12/09/2022	30/08/2031	$3.63	$0.00	-	1.28%	1.49%	$3.5855
12/09/2022	30/08/2031	$3.63	$0.00	-	1.26%	3.04%	$3.5412
13/09/2022	30/08/2031	$3.63	$0.00	-	1.32%	3.23%	$3.4915
9/11/2022	30/08/2031	$3.25	$0.00	-	1.36%	1.65%	$3.2064
9/11/2022	30/08/2031	$3.25	$0.00	-	1.34%	3.30%	$3.1645

Share based payment expense for the financial year was $4,761,000 (2022: $3,669,000).

A share option plan as part of STI or LTI has been established by the Group and approved by shareholders at a general meeting, whereby the Group may, at the discretion of the People, Remuneration and Culture Committee, grant options over ordinary shares in the Company to certain key management personnel of the Group. The options are issued for nil consideration and are granted in accordance with performance guidelines established by the Remuneration Committee.

Note 39. Share-based payments (continued)

2023 Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
27/10/2020	1/07/2030	$5.63	173,809	-	-	-	173,809
1/07/2021	30/06/2031	$0.00	30,972	-	(30,972)	-	-
23/09/2021	1/07/2031	$5.42	151,913	-	-	-	151,913
1/07/2022	30/06/2023	$0.00	-	29,530	(29,530)	-	-
1/07/2022	30/06/2023	$0.00	-	4,474	(4,474)	-	-
11/10/2022	11/10/2032	$0.00	-	24,573	-	-	24,573
8/11/2022	8/11/2032	$0.00	-	154,188	-	-	154,188
9/11/2022	8/11/2032	$0.00	-	19,027	-	-	19,027
9/11/2022	8/11/2032	$0.00	-	28,541	-	-	28,541
Weighted average exercise price			$0.00	$0.00	$0.00	$0.00	$0.00

2022 Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
27/10/2020	1/07/2030	$5.63	235,223	-	-	(61,414)	173,809
1/07/2021	30/06/2031	$0.00	-	47,648	-	(16,676)	30,972
23/09/2021	1/07/2031	$5.42	-	205,811	-	(53,898)	151,913
11/12/2018	30/06/2022	$0.00	10,000	-	(10,000)	-	-
Weighted average exercise price			$0.00	$5.42	$0.00	$0.00	$0.00

Inputs to the valuation model
The valuation of options is based on the share price - determined by a 5 day Volume Weighted Average Price ('VWAP') of the MNF Shares traded on the Australian Security Exchange during the 5 trading days up to the Grant date.

A risk free interest derived from the implied yield as at the valuation date from zero-coupon Australian Government bond issued in Australian Dollars with a remaining term equal to the expected life of Awards being valued. This yield will be converted into a continuously compounded rate in the valuation model.

Accounting policy for share-based payments
Equity-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares, 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 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.

Note 39. Share-based payments (continued)

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.

Note 40. Events after the reporting period

On 1 August 2023, the Group announced to the market it had received non-binding indicative proposal from Superloop Limited (ASX:SLC or “Superloop”) to acquire all of the shares in Symbio via a scheme of arrangement (“Indicative Proposal”). The Board of Symbio and its advisers have undertaken a review of the Indicative Proposal and have entered into non-disclosure and exclusivity agreements with Superloop. The Board has indicated that the Indicative Proposal would only progress if it is in the best interest of Symbio's shareholders and there is no guarantee that a transaction will occur. The Group cannot estimate the potential financial effect at this stage.

Apart from the dividend declared and the “Indicative Proposal" discussed above, no other matter or circumstance has arisen since 30 June 2023 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.

In the Directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 2 to the financial statements;
- the attached financial statements and notes give a true and fair view of the Group's financial position as at 30 June 2023 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

The Directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of Directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the Directors

Anne Ward
Chairman

Rene Sugo
Managing Director and Group CEO

28 August 2023
Sydney

Deloitte.

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Independent Auditor's Report to the members of Symbio Holdings Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Symbio Holdings Limited (the "Company") and its subsidiaries (the "Group") which comprises the consolidated statement of financial position as at 30 June 2023, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, and the directors' declaration.

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

- Giving a true and fair view of the Group's financial position as at 30 June 2023 and of their financial performance for the year then ended; and
- Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How the scope of our audit responded to the Key Audit Matter
Capitalised software development costs As at 30 June 2023, the Group's carrying value of product and software development costs capitalised as intangibles was \$39.8m of which \$16.3m is attributable to capitalisation in the current	Our procedures included but were not limited to: - making enquiries of project managers involved in product development to understand and assess the basis and rationale for capitalising labour costs associated with key projects in accordance with the requirements of the Australian Accounting Standards;

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financial year, as disclosed in Notes 3 and 18. In accordance with AASB 138 Intangible Assets, only directly attributable costs should be capitalised and judgement is required in determining the eligibility of labour costs for capitalisation, particularly with respect to developers and senior management.	- evaluating of the recoverability and reassessing the useful life of projects capitalised as at 30 June 2023; - evaluating the amortisation expense recorded for capitalised software development costs; - for additions in the current year: o testing on a sample basis, capitalised labour costs by reviewing timesheets; o assessing whether eligible employees are included, and ineligible employees are excluded, in the calculations, where appropriate; - testing the mathematical accuracy of management's labour capitalisation schedule on a sample basis. We also assessed the appropriateness of the disclosures in Notes 3 and 18 to the financial statements.
Revenue recognition As at 30 June 2023, the Group recognised $210.7m of revenues as disclosed in Note 5. Revenue represents a material balance consisting of a high volume of low value transactions. Auditing the revenue recorded by the Group is complex due to it being heavily dependent on multiple IT systems utilised in processing and recording transactions, which is an inherent industry risk.	Our procedures included but were not limited to: • Obtained an understanding of the significant revenue streams and assessed the appropriateness of the Group's revenue recognition policies in accordance with the criteria in the relevant Australian Accounting Standards; • In conjunction with our IT specialists: > We obtained an understanding of the key IT platforms and processes relating to the recognition of revenue for each of the key revenue streams. > assessed the design and implementation of the key automated and manual controls in relation to the recognition and measurement of revenue. > where the testing of controls was not considered appropriate, alternative audit procedures were performed on the financial information being produced by those IT systems; • For a sample of contracts where performance obligations are met at a point in time, we obtained evidence to support the delivery and/or customer acceptance of the recorded revenue transactions. • For a sample of contracts where performance obligations were met over a period of time, we obtained evidence to support how the performance obligations were satisfied.

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	• For certain relevant revenue streams, developed an expectation of monthly revenue and assessed the trends between network distribution costs and revenue recognized. Any variances identified, were investigated; • Assessed the appropriateness of the disclosures in Note 5 to the financial statements.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 20 June 2023, but does not include the financial report and our auditor's report thereon.

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

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

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

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

Auditor's Responsibilities for the Audit of the Financial Report

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group's audit. We remain solely responsible for our audit opinion.

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

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

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

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 37 to 50 of the Directors' Report for the year ended 30 June 2023.

In our opinion, the Remuneration Report of Symbio Holdings Limited, for the year ended 30 June 2023, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

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

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Pooja Patel

Pooja Patel
Partner
Chartered Accountants
Sydney, 28 August 2023

Additional information required by the Australian Stock Exchange (ASX) Listing Rules – unless it has been provided elsewhere in this Annual Report - is provided below. The information is current as at 4 August 2023 unless stated otherwise.

Corporate Governance Statement URL (rule 4.10.3)

The 2023 Corporate Governance Statement for Symbio Holdings Limited may be found at the following link: https://investors.symbio.global/corporate-governance

Substantial Holders (rule 4.10.4)

(note: numbers include those notified under a Substantial Holder Notice and may not reflect actual holdings at 4 August 2023)

Substantial holders in the company are set out below:

Name	*Number of Equity Securities*	% of total shares issued %
Andy Fung and Monique Ly	11,462,428	13.54%
National Nominees Ltd ACF Australian Ethical Investment	8,595,457	10.13%
Rene Sugo and related parties	6,816,365	7.99%
Perpetual Limited	5,424,059	6.38%
Catherine Margaret Salisbury and related parties	4,938,064	5.84%

Numbers of Holders of Equity Securities and Voting Rights (rules 4.10.5 and 4.10.6)

The Company's ordinary shares are listed on the ASX under the code "SYM".

There are 85,258,885 fully paid ordinary shares held by 4,048 individual shareholders. The shares carry one vote per share.

The Company also has 2,290,142 issued unquoted securities (in the form of options and performance rights) held by 159 security holders related to employee incentive schemes. None of these unquoted securities carry a right to vote.

Distribution Schedule of Holders (rule 4.10.7)

Analysis of number of equitable security holders by size of holding:

	Ordinary shares		**Unquoted Securities**	
	Number of holders	**% of total shares issued**	**Number of holders**	**% of total unquoted securities issued**
1 to 1,000	1,821	0.88	-	-
1,001 to 5,000	1,280	3.79	88	13.07
5,001 to 10,000	423	3.73	33	10.00
10,001 to 100,000	475	14.47	33	29.49
100,001 and over	49	77.13	5	47.44
	4,048	100.00	159	100.00
Holding less than a marketable parcel	517	-	-	-

20 Largest Shareholders at market close on 4 August 2023 (rule 4.10.9)
The names of the twenty largest security holders of quoted equity securities are listed below:

	Ordinary shares Number held	% of total shares issued
NATIONAL NOMINEES LIMITED	11,888,014	13.94
MR ANDY KAM KAN FUNG & MS MY VAN MONIQUE LY	6,764,213	7.93
AVONDALE INNOVATIONS PTY LTD	6,153,373	7.22
CITICORP NOMINEES PTY LIMITED	5,776,186	6.77
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	5,391,077	6.32
MR ANDY KAM KAN FUNG & MS MY VAN MONIQUE LY	4,489,861	5.27
MS CATHERINE MARGARET SALISBURY	3,712,582	4.35
BNP PARIBAS NOMINEES PTY LTD	2,275,253	2.67
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	2,168,196	2.54
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	2,001,144	2.35
SANDHURST TRUSTEES LTD	1,632,310	1.91
BNP PARIBAS NOMS PTY LTD	949,757	1.11
BNP PARIBAS NOMS(NZ) LTD	843,704	0.99
PACIFIC CUSTODIANS PTY LIMITED	768,286	0.90
KORE MANAGEMENT SERVICES PTY LTD	765,906	0.90
BOORNE SUPERANNUATION FUND PTY LTD	672,226	0.79
G & E PROPERTIES PTY LTD	639,697	0.75
NULIS NOMINEES (AUSTRALIA) LIMITED	624,761	0.73
RACS SMSF PTY LIMITED	602,490	0.71
CMS FUND PTY LIMITED	602,482	0.71
	58,721,518	68.86

On-Market Buy Back (rule 4.10.18)

There is no current on-market buy back of the Company's ordinary shares.

On-Market Purchases of Ordinary Shares for the Purposes of an Employee Incentive Scheme (rule 4.10.22)

During the reporting period there were:

(a) 280,008 ordinary shares purchased for the purposes of the Symbio employee incentive scheme; and
(b) the average price per share of the ordinary shares purchased for the purposes of the employee incentive scheme was $3.9286.

Corporate information

Symbio's Offices

Australia (registered office)
Level 4, 580 George Street
Sydney NSW 2000
Australia

New Zealand
Level 8, 1 Willis Street
Wellington 6011
New Zealand

Singapore
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Singapore 048624

UK/Europe
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London SE1 1JA
United Kingdom

Telephone
(+61 2) 8008 8088

Website
symbio.global

Investor website
investors.symbio.global

Symbio's Share Registry

Link Market Services Limited

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Sydney NSW 2000
Australia

Telephone: (+61) 1300 554 474
Website: www.linkmarketservices.com.au

Symbio's Auditor

Deloitte

Quay Quarter Tower
50 Bridge Street
Sydney NSW 2000
Australia

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