



# Disrupt Media Ltd

## Crowd-sourced funding offer document

Dated 27 June 2024

Offer of fully-paid ordinary shares in Disrupt Media Ltd at \$0.25 per share to raise a maximum of \$1,000,000.

This crowd-sourced funding (**CSF**) offer document relates to the Offer of fully-paid ordinary shares in Disrupt Media Ltd. This Offer is made under the CSF regime in Part 6D.3A of the *Corporations Act 2001* (**Corporations Act**).

**Issuer**

Disrupt Media Ltd ACN 655 469 542

**Intermediary**

Birchal Financial Services Pty Ltd ACN 621 812 646 AFSL 502618

*Always consider the general CSF risk warning and offer document before investing*

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# Section 1: Risk warning

Crowd-sourced funding is risky. Issuers using this facility include new or rapidly growing ventures. Investment in these types of ventures is speculative and carries high risks.

You may lose your entire investment, and you should be in a position to bear this risk without undue hardship.

Even if the company is successful, the value of your investment and any return on the investment could be reduced if the company issues more shares.

Your investment is unlikely to be liquid. This means you are unlikely to be able to sell your shares quickly or at all if you need the money or decide that this investment is not right for you.

Even though you have remedies for misleading statements in the offer document or misconduct by the company, you may have difficulty recovering your money.

There are rules for handling your money. However, if your money is handled inappropriately or the person operating the platform on which this offer is published becomes insolvent, you may have difficulty recovering your money.

Ask questions, read all information given carefully, and seek independent financial advice before committing yourself to any investment.

## Section 2: Information about the Company

### Letter from the Founder

Dear potential shareholders,

I'm thrilled to introduce you to Disrupt Radio, Australia's first digital (DAB+) radio network dedicated to the vibrant worlds of small business, entrepreneurship, startups, innovation and technology. With a launch spearheaded by none other than Sir Bob Geldof, our station has quickly established itself as a new player in the digital audio landscape. This letter serves as both an introduction to our exciting media venture and an invitation to join us as investors in a space where few such opportunities exist.

Five years in the making, Disrupt Radio emerged from a vision to create a platform that not only informs and entertains but more importantly empowers listeners with the knowledge and inspiration they need to succeed in today's fast-paced business environment.

Our journey began with one of the biggest launches in Australian digital radio marked by unparalleled publicity and promotion, and we have rapidly built a unique and defensible market position in the digital audio sector capable of delivering rapid growth and profitability.

Disrupt Radio is the first national, commercial digital radio (DAB+) channel in the Australian broadcast media landscape dedicated to business and entrepreneurship.

Broadcasting in Melbourne, Sydney and Brisbane – Australia's three largest media markets – Disrupt Radio is positioned to potentially reach more than 75% of commercial radio listeners, and many more through online streaming, podcasts and on-demand content.

Our content and programming is designed to cater to a diverse audience, featuring some of Australia's most renowned presenters including Jules Lund, Libbi Gorr, Omar de Silva, Moana Hope and many more. Flagship shows like Enterprise Breakfast®, Moolah®, Entrepreneur Her® and Startup Nation® are all brand new to Australian radio – and not only meet the growing demand for business-related content, but also provide highly targeted opportunities for advertisers to connect with an influential, affluent and typically hard-to-reach audience.

After only 11 months on-air, Disrupt Radio's brand and programming continue to flourish. Our live and specialist shows are resonating with listeners, as evidenced by the engagement across radio broadcasts, streaming, on-demand catch-up and podcasts. The calibre of guests, experts and leaders that these shows attract, continues to impress, and the feedback and research to date is encouraging.

As Disrupt Radio moves into its next operational phase, our aim to build and transform each of our programs into distinct brands and vibrant communities.

Since launch, Disrupt Radio has secured revenue from top-tier advertisers such as Telstra, AAMI, Commonwealth Bank, GWM and Macquarie Bank and continue to pursue national advertisers of this calibre.

Five years in the making, heavily researched, and nearly \$5 million invested to date (a significant portion being the Board and Executive team – real dollars, not sweat equity), Disrupt Radio is uniquely positioned to capitalise on the exponential growth in digital audio consumption.

As we continue to build on our successful launch and expand our broadcast reach, we invite you to participate in this rare investment opportunity.

Prior to embarking on a planned, larger capital raise, we first wanted to give our community the opportunity to invest, and this CSF Offer provides that entry point.

Disrupt Radio is raising to drive growth, audience and revenue generation. Your participation in this Offer has the potential to support us in bolstering our high-quality content offering, market presence and revenue capability. In return, you will be part of a pioneering new venture that disrupts the traditional talk radio landscape.

Disrupt Radio is more than just a radio station; it is a movement towards a more informed, inspired, and innovative business community.

We are excited about the future and confident in our ability to grow the business for our audience, advertisers and shareholders.

For more information or to discuss the investment further, please contact me directly at [benjamin.roberts@disrupt.radio](mailto:benjamin.roberts@disrupt.radio)

Warm regards,

**Benjamin Roberts**

Founder and Chief Executive Officer

Disrupt Radio

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South Melbourne VIC 3006

[www.disrupt.radio](http://www.disrupt.radio)

## 2.1 Company details

This offer of shares is made by Disrupt Media Ltd ACN 655 469 542 (**Company**).

<b>Company name</b>	Disrupt Media Ltd
<b>ACN</b>	655 469 542
<b>Date of incorporation</b>	22 November 2021
<b>Registered office</b>	Level 3, 88 William Street, Perth, 6000 Western Australia, Australia
<b>Principal place of business</b>	Level 1, 111 Coventry Street, Southbank, 3006 Victoria, Australia
<b>Directors</b>	Benjamin Paul Roberts, Thomas Humphry Cockle, Michelle Lee Guthrie
<b>Company secretary</b>	Henko Vos
<b>Share registry</b>	Automic Pty Ltd ACN: 152 260 814 <a href="https://www.automicgroup.com.au">https://www.automicgroup.com.au</a>
<b>Website</b>	<a href="http://www.disrupt.radio">www.disrupt.radio</a>

## 2.2 Our business

### 2.2.1 The Company

Launched less than a year ago, Disrupt Radio is Australia's first national commercial digital Talk radio (DAB+) station wholly designed for entrepreneurs and the business minded. The radio station is more than just a broadcasting platform; it's a movement aimed at revolutionising how business content is consumed, discussed and utilised.

With a mission to democratise knowledge and foster an inclusive business community, Disrupt Radio stands at the forefront of innovation in the commercial radio industry. From day one, Disrupt Radio has set itself apart with a bold vision. We provide a unique blend of live radio, podcasts, and on-demand content that caters to a diverse audience of business enthusiasts.

Our content and programming is meticulously curated to ensure it is not only relevant and timely but also engaging and inspiring. By focusing exclusively on business and entrepreneurial talk, we have created a niche that appeals to a highly influential and affluent audience, making Disrupt Radio a valuable platform for advertisers looking to connect with this demographic.

Our journey began with a groundbreaking launch week, headlined by international social entrepreneur, musician and activist Sir Bob Geldof, which garnered over 100,000 streams in the first week and generated unprecedented publicity. This remarkable start was the beginning of our ascent in the media world.

Disrupt Radio now broadcasts across Melbourne, Sydney, and Brisbane, capturing Australia's three largest commercial radio markets by both audience potential, and revenue.

Our ability to attract top-tier advertisers such as Telstra, Commonwealth Bank, AAMI, GWM, Judo and Macquarie Bank is a testament to format offering and the high value we offer to brands.

At the heart of Disrupt Radio is a team of seasoned media professionals and industry veterans from Fairfax, BBC, Google, NewsCorp, ABC and Optus. Our leadership brings decades of experience and a deep understanding of the media landscape, ensuring that we remain at the cutting edge of content delivery and audience engagement.

With innovative programming, a robust digital infrastructure and a relentless focus on quality, Disrupt Radio is poised to continue its growth trajectory, expand its reach, and become the go-to source for modern business conversation in Australia and beyond.

### 2.2.2 Mission and vision

Disrupt Radio's mission is to democratise access to business knowledge, creating an inclusive community where ideas flow freely, and innovation thrives.

The station's vision is to revolutionise the talk radio landscape by providing a platform for modern business conversations, fostering an entrepreneurial spirit, and promoting a culture of continuous learning and growth.

Disrupt Radio seeks to:

- **Empower Entrepreneurs:** Providing valuable insights, real-time business information and a platform for networking and idea exchange.
- **Promote Innovation:** Highlighting breakthrough ideas, disruptive technologies, and entrepreneurial success stories.
- **Foster Community:** Building a supportive and engaged community of like-minded individuals who are passionate about business and innovation.

### 2.2.3 Why Disrupt Radio exists

The commercial radio industry has traditionally been dominated by a few major players, leading to a homogenised media landscape with limited broadcast formats primarily focused on music, entertainment, news, current affairs and sports.

This dominance has restricted access to high-quality, timely business information. We know from our work in the industry, that existing talk formats, whether commercial or public, are predominantly aimed at audiences aged 55 and over, leaving a significant gap for younger, progressive and future-focused discussions.

Disrupt Radio was established to fill this void, providing a modern and open platform for business content and entrepreneurial talk. The station caters to an underrepresented audience of entrepreneurs, small business owners, professionals, business leaders and innovators who seek authentic, relevant, trustworthy and timely information, inspiration and conversation.

### 2.2.4 Achievements and milestones to date

#### The biggest launch in Digital Radio

Disrupt Radio's launch, spearheaded by global entrepreneur and disruptor Sir Bob Geldof, was a landmark event in Australian digital radio history. The station achieved over 100,000 live streams in its first week, generating unprecedented publicity across all mainstream media. The launch underscored the market's readiness for a dedicated business radio platform.



## **First year audience expectations exceeded**

Disrupt Radio has expanded its audience base, now reaching 25,000 different listeners each week across Melbourne, Sydney and Brisbane on DAB+, plus another 30,000 through streaming, podcast and on-demand.

## **Top-tier advertisers from launch**

Disrupt Radio launched with revenue – securing early advertising support from major Tier 1 brands such as Telstra, Commonwealth Bank, AAMI, GWM, McDonalds, Judo Bank and Macquarie Bank, demonstrating its appeal to high-profile advertisers looking to reach an entrepreneurial audience.

## **Successful program and content execution**

Disrupt Radio successfully launched its Australia first program slate of prime-time radio shows – including Enterprise Breakfast, Moolah, Entrepreneur Her and Startup Nation – as well as specialist pre-produced programs and podcasts including Conscious Capital, Great Talk, The Business Lounge, Soul Trader, The Advisory Board, The Next Shift and Global Disruptors.

## **2.2.5 Overview of product strategy, programs and on-air talent**

### **Content strategy**

Disrupt Radio's product (content) strategy is designed to provide high-quality, contextually relevant entrepreneurial and business content that informs, educates and inspires its audience. The station's programming is built around key pillars of entrepreneurship, small business, innovation and technology, ensuring that content is always engaging and valuable – and presented in a way that is authentic, credible and relatable.

### **Program and broadcast schedule**

- **Enterprise Breakfast® (6am-9am Weekdays)**
  - Hosted by Libbi Gorr, Enterprise Breakfast offers a morning show tailored for Australian entrepreneurs and small businesses. The program redefines traditional breakfast shows by delivering engaging issues and fresh perspectives every morning. Enterprise Breakfast has become a vibrant hub for maverick thinkers, fostering exciting conversations, lively debates and eye-opening insights that challenge conventional thinking and ignite entrepreneurial spirit.
- **Moolah® (9am-11am Weekdays)**
  - Hosted by Omar de Silva, Moolah offers a fresh perspective on finance, focusing on fintech and future-driven discussions. Moolah redefines conversations about money by merging insightful analysis with captivating content. The program

dives into the evolving landscapes of cryptocurrency, sustainability, market dynamics, and more, providing listeners with cutting-edge financial strategies, economic trends and practical advice.

- **Entrepreneur Her® (2pm-4pm Weekdays)**
  - Hosted by Moana Hope, Entrepreneur Her is a pioneering Australian radio program dedicated to empowering women in business. Featuring insightful conversations with leading women, industry disruptors and thought leaders, Entrepreneur Her addresses a broad spectrum of topics including financial management, career advancement, navigating personal and professional transitions and the journey of solo entrepreneurship.
- **Startup Nation® (4pm-6pm Weekdays)**
  - Hosted by Jules Lund, Startup Nation celebrates Australia's fearless trailblazers and disruptors in the startup world. The show offers raw, unfiltered stories of founders, visionary investors and industry experts who push boundaries and defy the status quo. Listeners experience hard-hitting interviews, in-depth conversations and a no-holds-barred approach to discussing the challenges and triumphs of entrepreneurship.

In addition to Disrupt Radio's flagship live, daily programming, the network produces and broadcasts a range of weekly specialist shows designed for broadcast, podcast and on-demand audio consumption:

- **Conscious Capital:** Exploring the intersection of business and social impact, this program delves into ethical investing, sustainability, and corporate responsibility.
- **The Business Lounge:** A relaxed, interview-style show that features in-depth conversations with Australia's prominent business leaders and innovators.
- **Soul Trader:** Focusing on the holistic aspects of entrepreneurship, including work-life balance, mental health and personal growth.
- **The Advisory Board:** Offering expert advice and transformative insights from two seasoned business professionals.
- **The Next Shift:** Discussing the future of work and how businesses can adapt to changing trends and technologies.
- **Great Talk:** Entrepreneurship 101 with a diverse range of guests, from Hollywood producers and startup legends to future astronauts, exploring 101 innovative ideas.
- **Global Disruptors:** Showcasing entrepreneurial success stories from around the world, providing a global perspective on business innovation.

## **On-Air talent**

Featuring a diverse talent line-up including Libbi Gorr, Omar de Silva, Moana Hope and Jules Lund, Disrupt Radio engages all ages and stages with bold, candid conversations spanning business, entrepreneurship, innovation and aspiration.

The station's broadcast schedule, anchored by daily prime-time programs Enterprise Breakfast, Moolah, Entrepreneur Her and Startup Nation and a slate of expert-led specialist shows – addresses growing audience demand for modern business content, and the frustrations of many advertisers struggling to target a lucrative, influential audience.

### **Libbi Gorr – Host of Enterprise Breakfast®**

Libbi Gorr's illustrious career in media and entertainment spans over three decades, both locally and globally. Rising to prominence as the bold and curious '90s icon Elle McFeast, Libbi excels as a talkback radio host and a seasoned live TV presenter.

Her portfolio includes hosting impactful shows like McFeast, Live and Sweaty, and insightful contributions to programs such as ABC 7.30, ABC News, and News Breakfast. Libbi's approach to storytelling is marked by intelligence, empathy, warmth, and humour, making her a natural fit to lead discussions on Enterprise Breakfast.

Libbi's penchant for taking calculated risks and striving for excellence underscores her leadership prowess, positioning her as a catalyst for progressive dialogues on the future of enterprise and innovation.

### **Omar de Silva – Host of Moolah®**

Omar de Silva is a distinguished entrepreneur and global business coach with over 15 years of experience. He has built enterprises across diverse industries, collectively valued at over \$75M and has attracted substantial global investment, earning worldwide recognition.

Omar is a strategic advisor to billion-dollar startups and senior leaders in ASX 20 companies, specialising in fintech, money and markets. He is a renowned keynote speaker on leadership, growth, and mental health advocacy, and since 2019, has chaired Little Big Steps, a charity integrating exercise medicine for children fighting cancer. Omar's insights into finance, technology, and innovation make him a compelling voice as the host of Moolah.

### **Moana Hope – Host of Entrepreneur Her®**

Moana Hope is a trailblazer in Women's Football and a familiar face from Australian Survivor where she achieved a remarkable third-place finish. As a distinguished AFLW player, Moana has left an indelible mark, playing for premier teams like the Darebin Falcons, St Kilda Sharks, Melbourne University, and the Western Bulldogs. Her historic achievement in kicking over 100 goals during the 2016 AFL Women's season solidified her place in sports history.

Off the field, Moana is a successful entrepreneur and advocate against sexism, leveraging her media presence and speaking engagements to champion causes close to her heart. Her compelling journey, featured on ABC's Australian Story and recounted in her memoir *My Way*, showcases resilience and leadership. Moana's blend of athletic prowess, entrepreneurial spirit, and advocacy makes her the perfect host for Entrepreneur Her, where she facilitates discussions on leadership, entrepreneurship, and women's empowerment in business.

### **Jules Lund – Host of Startup Nation®**

As one of Australia's most charismatic personalities, Jules Lund boasts extensive experience across radio, TV, and digital platforms.

From hosting his own weekly radio show on The Today Network and a music television program, to presenting at the ESPN X Games globally by the age of 23, Jules has continually expanded his national appeal.

With a decade of hosting prime-time TV programs and five years on Austereo, including co-hosting the Today Network national Drive show and Sydney breakfast radio on 2DayFM, Jules has solidified his reputation as a media luminary.

Jules' entrepreneurial spirit led him to found TRIBE in 2014, a pioneering digital marketplace connecting social media influencers with top brands. His profound understanding of social media trends and innovative thinking makes Jules Lund the ideal host for Startup Nation, where he brings unparalleled expertise and infectious energy to explore the forefront of entrepreneurial success and innovation – from the garage to around the globe.

## 2.2.6 Overview of the commercial radio industry and competitive landscape

### Industry overview

2023 was a record-breaking year for Australian commercial radio, reaching an all-time high of 12.25 million listeners aged 10+ across the five major metro markets. GfK Survey 8 revealed vibrant growth in DAB+ listening and increased engagement from younger audiences, with weekly listening time averaging 12 hours and 53 minutes. Breakfast slots saw a rise of 35,000 listeners, totalling 8.7 million, with 71% tuning in at breakfast.<sup>1</sup>

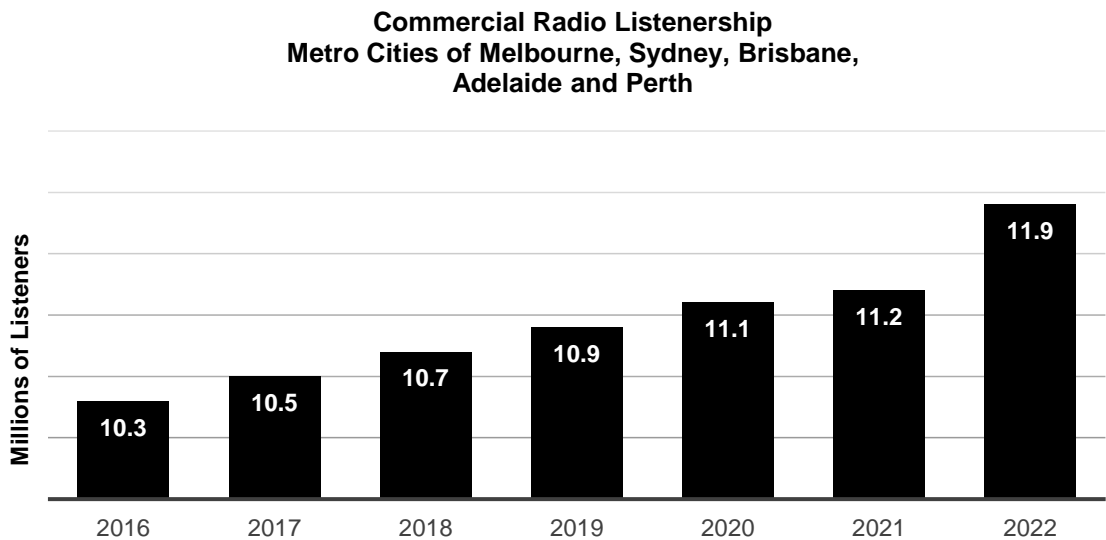
DAB+ only commercial radio stations saw a 6% increase in listeners compared to 2022, reaching 2.8 million on average, marking a 48% growth since 2021. In-car listening also rose to 34.8%, driven by strong new car sales featuring DAB+ access.<sup>2</sup>

The Australian commercial radio industry operates within a billion-dollar market, generating advertising revenue of \$685 million in the financial year ending June 30, 2023. In addition, digital audio revenue, including streaming and podcast advertising, reached \$265 million, with podcast ad expenditure alone accounting for \$99 million.<sup>3</sup>

Overall, the radio industry operates within a broader Australian media and advertising market projected to grow 3% to A\$27.7 billion in 2024, positioning commercial radio and digital audio as key players with significant revenue growth opportunities.<sup>4</sup>

### Commercial Radio audiences at an all-time high

Commercial radio's audience has grown by 1.4 million listeners (nearly 14%) in 5 years.<sup>5</sup>



<sup>1</sup>CRA Media Release. Commercial radio listening ends 2023 at an all-time high: Link [here](#).

<sup>2</sup>CRA Media Release. Commercial radio listening ends 2023 at an all-time high: Link [here](#).

<sup>3</sup>CRA Media Release. Metro commercial radio advertising holds steady for 2023 financial year: Link [here](#).

<sup>4</sup>MAGNA - Australian advertising market 'subdued but positive' in 2024: Link [here](#).

<sup>5</sup>GfK Radio Ratings, Sydney, Melbourne, Brisbane, Adelaide and Perth, Commercial stations (simulcast and DAB+), Cume (000), S1-8 2016-2019, S1-2, 6-8 2020, S1-8 2021 & S1-8 2022, Mon-Sun 12mn-12mn, All People 10+.

## **Competitive landscape**

The commercial radio industry in Australia is characterised by high levels of competition and consolidation among a few major players. However, the rise of digital radio (DAB+), podcasting and streaming has introduced new opportunities for innovative content delivery, niche formats and bespoke programming

Disrupt Radio operates in a highly competitive environment but distinguishes itself through several key differentiators:

- **Unique niche**
  - Disrupt Radio is the only talk station in the digital radio landscape dedicated exclusively to business talk content, filling a significant gap in the market. This focus allows the station to attract a specific, high-value audience of entrepreneurs, business leaders and innovators.
- **High barriers to entry**
  - The commercial radio industry is highly regulated, with limited access to broadcast licenses and digital radio spectrum. Disrupt Radio has successfully navigated these barriers, securing access to DAB+ spectrum in Australia's largest media markets.
- **Established market position**
  - While traditional radio stations are heavily invested in music, entertainment, and sports programming, Disrupt Radio's business-only format provides a unique value proposition to both listeners and advertisers.
- **Strong advertiser relationships**
  - Disrupt Radio's ability to secure advertising revenue from top-tier brands such as Telstra, Commonwealth Bank, AAMI, GWM, McDonalds, Judo and Macquarie Bank – and as a startup – highlights its appeal to advertisers seeking to reach an affluent, influential audience.

By focusing on these key differentiators, Disrupt Radio has carved out a unique and competitive position in the Australian digital radio landscape.

## 2.3 Business and revenue model

### 2.3.1 Overview of the business model

Disrupt Radio operates a high-revenue, low-cost business model designed to deliver superior profits and margins. This business model is an Australian first in commercial radio and has been carefully researched and built over several years.

The high 'maximisation' revenue part of the business model has three essential aspects:

- **Direct to customers:** Advertisers can directly reach a business-minded audience in a way that is not possible on other music and talk radio stations. Most of Disrupt Radio's listeners are interested in business and entrepreneurship, and therefore, the business products and services being advertised.
- **High advertising rates:** Disrupt Radio broadcasts only in metropolitan city areas with high advertising rates. Many other stations operate in metropolitan (high advertising rates) and regional areas (low advertising rates).
- **Bonus revenues:** Most of Disrupt Radio's content is timeless which enables the on-sell of programs and interviews to businesses such as airlines, and media companies such as regional radio stations and podcast platforms, at virtually no cost – attracting syndication revenues in addition to advertising revenues. And unlike other talk stations, that focus on news, current affairs and sport, Disrupt Radio's evergreen content remains relevant and sellable over time.

The low 'minimisation' cost part of our business model also has three essential aspects:

- **Low production costs:** Disrupt Radio has a single national broadcast cost, operating from one location with an ability to reach all Australian cities. Unlike other commercial talk stations, that incur separate broadcast costs for each city, Disrupt Radio's centralised approach maximises revenue.
- **Low radio presenter costs:** Disrupt Radio programs are interview-led, focusing listeners on the interviewees rather than the presenters..
- **Asset light:** Disrupt Radio has long term leases for our transmission (broadcast spectrum) licenses. We capture further cost synergies by sharing our technical and production asset infrastructure with another media organisation.

In essence, the combination of a high revenues and low operation costs, means Disrupt Radio is geared to generating above average profits in Australia.

Further, the station's unique (and trademarked) model can be duplicated overseas, unlocking global opportunities rarely available to other local commercial radio networks.

### 2.3.2 Overview of the advertising revenue model

Advertising is the cornerstone of Disrupt Radio's revenue model which largely includes integrated content, traditional spot advertising, program sponsorship and content syndication.

Disrupt Radio's advertising model is designed to maximise reach, engagement and effectiveness for B2B and B2C advertisers, while providing valuable content to listeners.

The radio station offers premium advertising opportunities tailored to meet the needs of its premium target audience. These opportunities include:

- **Commercial spots:** Traditional radio advertisements played during breaks.
- **Program sponsorships:** Exclusive sponsorship opportunities for entire programs or segments, providing brands with high visibility and alignment with specific content.
- **Live reads and endorsements:** On-air mentions and endorsements by hosts, offering a personal touch and increased engagement with the audience.
- **Content syndication:** Disrupt Radio's content is syndicated across various platforms such as online streaming services and podcast networks. Syndication extends the reach of Disrupt Radio's content and has potential to generate additional revenue.

The model includes:

- **Contextual advertising:** Advertising tailored to the interests and demographics of Disrupt Radio's audience, ensuring high relevance and engagement.
- **Integrated campaigns:** Advertisers can participate in integrated campaigns that combine on-air editorial content with commercials, digital content and social media outreach for a creative, cohesive and impactful marketing effort.

In contrast to the many mainstream formats in Australian media, a contextual advertising environment attracts high-value advertisers looking to reach a high-value audience.

### 2.3.3 Revenue split

The projected revenue split for Disrupt Radio is as follows:

- **Advertising (50%)** – This includes commercial spots, credits and live reads.
- **Program sponsorships (45%)** – This includes integrated sponsorships, brand-led content and bespoke programming.
- **Content syndication (5%)** – Revenue derived from syndicating content to other platforms, channels and media companies.

Disrupt Radio's diversified revenue model maximises revenue generation within a contextual advertising environment – to the benefit of both audiences and advertisers.



### 2.3.4 Key metrics

To measure success and growth, Disrupt Radio focuses on two key metrics – audience and revenue – which are intrinsically linked.

#### Audience targets

Disrupt Radio aims to reach a combined audience of 250,000 across the metropolitan markets of Melbourne, Sydney and Brisbane through DAB+ radio, streaming and on-demand content.

Official audience measurement is conducted by Commercial Radio Australia (CRA) and research provider GfK, with results released eight times annually. Digital data across live streaming, podcasting, and on-demand is measured separately, often in real time.

- **Current listening audience**
  - Disrupt Radio currently reaches >75,000 listeners each month across multiple digital platforms including unique weekly listeners on DAB+, live streaming via the station's website, Radio App and iHeart Radio, podcasts via Apple and Spotify, plus on-demand content consumption.
- **Engagement and time spent listening**
  - Disrupt Radio enjoys high engagement rates across all digital platforms, with 55% of its online audience live streaming the station, and on-demand content consumption averaging over 30 minutes per session.

#### Revenue targets

Disrupt Radio's revenue targets are driven by audience data and the sales team. While audience size and revenue are intrinsically linked, the strength of agency and direct advertiser relationships, alongside the size of the sales team, plays a crucial role in achieving revenue.

### 2.3.5 Key value drivers

Several key factors drive the value of Disrupt Radio's business:

- **Exclusive content:** Disrupt Radio's unique programming appeals to a niche audience that is highly valuable to advertisers.
- **Market reach:** The station's ability to reach Australia's largest media (and revenue) markets ensures a broad and influential audience.
- **Experienced team:** The management team's extensive experience in media and broadcasting provides a strong foundation for the station's success.
- **Strong advertiser relationships:** Partnerships with top-tier advertisers highlight the station's credibility, market appeal and future potential.

- **Innovative technology:** Investment in cutting-edge broadcasting and digital technologies, and an asset light operating model, enhances both listener experience and operational efficiency.

Together, these value drivers position Disrupt Radio as a leader in the digital talk radio space, attracting both listeners and advertisers.

### 2.3.6 Sales, content distribution and marketing channels

By utilising sales, content distribution and marketing channels, Disrupt Radio effectively reaches and engages its target audience, driving growth and revenue.

#### Sales channels

Disrupt Radio employs a small, dedicated sales team that focuses on building relationships with both local and national advertisers. The team leverages the station's unique contextual environment and platform to secure high-value advertising contracts and sponsorship deals.

#### Content distribution channels

- **Digital radio:** Broadcasting on DAB+ in Melbourne, Sydney and Brisbane, Disrupt Radio reaches a wide audience across Australia's largest media markets.
- **Online streaming:** Broadcast content is available through live and on-demand streaming via Disrupt Radio's website and popular platforms such as iHeartRadio and RadioApp, ensuring accessibility for listeners anytime and everywhere.
- **Podcasts:** Disrupt Radio's prime-time and specialist shows are made available as podcasts on Apple Podcasts and Spotify, extending reach beyond radio.

#### Marketing channels

- **Strategic partnerships:** Collaborations with industry partners and media agencies drive revenue and trade marketing initiatives.
- **Digital marketing:** Targeted digital marketing campaigns, including social media across owned, talent and paid channels, plus email newsletters and online promotions, work in tandem to drive reach and engagement.
- **Brand awareness:** Continuous investment in brand awareness is essential in building a radio station from the ground up and includes everything from public relations, external advertising (Out-of-Home and TV), events and promotional activities.

## 2.4 Business strategy

### 2.4.1 Future plan

Disrupt Radio has a comprehensive growth strategy aimed at expanding its reach, increasing revenue and enhancing its content offerings.

Future plans for the network include:

- **Market expansion:** Accessing additional DAB+ spectrum to expand into new markets such as Perth, Canberra, Hobart and the Gold Coast. This expansion will increase the station's potential audience and provide new revenue opportunities.
- **Diversified revenue streams:** Exploring additional revenue streams such as podcasting, live streaming, content syndication and targeted SME events. These revenue initiatives will generate new income sources.
- **Technology and innovation:** Continuing to invest in advanced broadcasting and digital technologies to improve the listener experience and operational efficiency.
- **Strategic partnerships:** Building strategic partnerships with media agencies, advertisers, and technology providers to drive growth and innovation.

A clear, multifaceted growth strategy positions Disrupt Radio for long-term success, profitability and market leadership within its format and audience segment.

### 2.4.2 Prioritisation of objectives

Disrupt Radio's strategic objectives are prioritised based on their alignment with the station's overall mission and vision and include:

- **Expanding reach:** Increasing audience reach is crucial for achieving the station's mission of democratising knowledge and fostering a business community. Aggressive marketing of primary broadcast markets (Melbourne, Sydney and Brisbane), plus expansion into new markets, will enhance Disrupt Radio's influence and impact.
- **Enhancing content:** Continuously improving and diversifying program and content offerings is essential for maintaining audience engagement and attracting new listeners to Disrupt Radio. Innovative programming and high-quality content across all digital platforms are at the core of Disrupt Radio's value proposition.
- **Driving revenue growth:** Generating sustainable revenue is vital for the station's financial health and ability to invest in growth initiatives. After almost 12 months of finessing content, the focus is on securing high value advertising contracts, expanding program sponsorship opportunities and exploring new revenue streams.
- **Strengthening technology:** Investing in technology is critical for delivering a superior listener experience and staying ahead of industry trends. Advanced broadcasting and digital platforms will support the station's growth and operational efficiency.

### 2.4.3 Capital raising and use of funds

Capitalising on the momentum of Disrupt Radio's successful launch, the Company is raising to fund growth, sales expansion and revenue generation.

Funds raised will be allocated to key drivers of the Company:

- **Sales capacity:** Substantially bolstering the direct sales team to enhance revenue generation capabilities and secure a higher quantity of advertising contracts.
- **Audience generation:** Investing in continuous marketing and promotional activities to increase audience reach and engagement.
- **Technology and infrastructure:** Upgrading digital infrastructure, including Disrupt Radio's website, podcast platforms and broadcast operations, to improve both listener experience and operational efficiency.
- **Working capital:** Ensuring sufficient working capital to support daily operations and strategic initiatives.

By strategically investing these funds, Disrupt Radio aims to accelerate its growth, expand its market presence and enhance its content and technology offerings.

## 2.5 Our team

### 2.5.1 Organisational structure

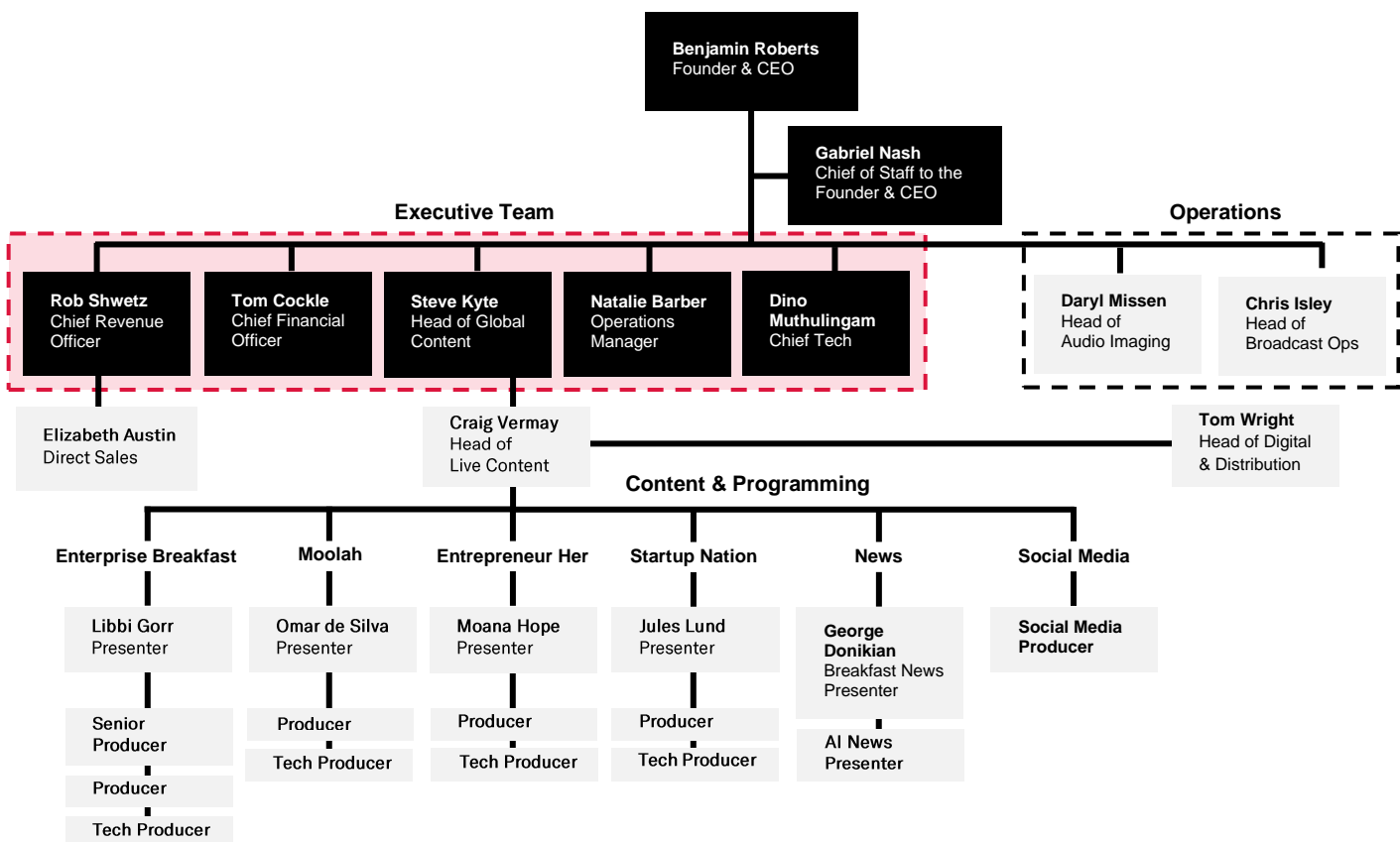
Disrupt Radio has been built with a flat and lean organisational structure, with all senior roles reporting to the CEO. While the business is still in start-up phase, the CEO has direct involvement in key operational areas (Content, Programming, Technology, Finance etc), to ensure operations are effectively streamlined and aligned to the core vision.

A number of key functions are currently outsourced to keep costs down and provide extra capacity in busy periods.

Outsourced functions include Accounts, Taxation, Information Technology, Broadcast Technology, Legal and Human Resources.

A key area that has not been (and never will be) outsourced is Content and Programming. It's important for the brand of Disrupt that the Company maintains full control (creatively and corporately) for programming, editorial and brand.

As the business grows and matures, a tiered organisation hierarchy will be adopted to manage the increased workload and share decision making. Further, many of the functions currently outsourced, will be brought into the Disrupt business to maintain cost and operational efficiencies.



## 2.5.2 Directors and senior management

<b>Director #1</b> Benjamin Paul Roberts		<b>Director #2</b> Thomas Humphry Cockle	
<b>Role</b> Founder, CEO and Executive Director		<b>Role</b> Chief Financial Officer and Executive Director	
<b>Description of duties</b> Leads the company by setting the overall strategic vision and direction. Oversees all major business operations.		<b>Description of duties</b> Responsible for group financial strategy and management, governance and operational support to the CEO.	
<b>Skills and experience</b> 18+ years' experience in commercial radio, media and entertainment (programming, content and corporate strategy) Master of Business Administration (MBA) in Entrepreneurial Management Grad. Dip (Management)		<b>Skills and experience</b> 30+ years in CFO and COO roles Bachelor of Business (Curtin University) Member of the Institute of Chartered Accountants (CA ANZ)	

<b>Director #3</b> Michelle Lee Guthrie
<b>Role</b> Chair and Non-Executive Director
<b>Description of duties</b> Responsible for Chairing the Board and guiding the strategic direction of the company.
<b>Skills and experience</b> 35+ years in media, technology and law Former Managing Director of Australian Broadcasting Corporation (ABC) Ex. Google, BskyB, StarTV, NewsCorp Current Director of Catapult Group International Ltd. Director of Cache IM Holdings Pty Ltd and Cache Investment Management Ltd Director of Starhub Bachelor of Arts and Law (Honours) from Sydney University.

### 2.5.3 Senior management team

<b>Senior Manager #1</b> Stephen Charles Kyte		<b>Senior Manager #2</b> Rob Shwetz	
<b>Role</b> Head of Content		<b>Role</b> Chief Revenue Officer	
<b>Description of duties</b> Responsible for executing the company's content strategy. Oversees programming, talent and editorial across broadcast and digital platforms.		<b>Description of duties</b> Responsible for revenue, sales and commercial strategy.	
<b>Skills and experience</b> 30+ years experience in content, editorial and talent and radio production. Ex. BBC, ABC, NZME Walkley and Sonny Award Winner		<b>Skills and experience</b> 25+ years in advertising, media and marketing Ex. Publicis, WPP, Fairfax (now Nine) Executive MBA, Creativity and Innovation	

<b>Senior Manager #3</b> Muthulingam Dhiwaharan		<b>Senior Manager #4</b> Gabriel James Nash	
<b>Role</b> Chief Technology Officer		<b>Role</b> Chief of Staff to The Founder and CEO	
<b>Description of duties</b> Responsible for technology strategy, management and broadcast infrastructure.		<b>Description of duties</b> Supports the CEO by managing executive priorities, streamlining operations and communications. Coordinates key projects and strategic initiatives.	
<b>Skills and experience</b> 20+ years expertise in digital broadcasting, technology and IPTV Ex. Optus Sport BSc (Hons) Information Technology – UNSW		<b>Skills and experience</b> 10+ years in media, entertainment, business, events and hospitality.	

## 2.6 Capital structure

### 2.6.1 Issued capital (before and after the Offer)

As at the date of this Offer Document, the Company has 45,717,286 ordinary shares on issue.

The Company's Founder, Directors and Staff currently own 49.69% of all ordinary shares of Disrupt Media Limited.

The company has issued two categories of options: 2,574,000 Employee Share Option Plan (ESOP) options and 9,381,506 Ordinary Investor (OI) options. All options are allocated (there are no unallocated options). The options have been issued to the following groups:

- **Founder:** 3,464,000 options have been issued to the founder, Benjamin Roberts (2,214,000 ESOP options and 1,250,000 OI options).
- **Executives/Staff:** 4,321,905 options have been issued to the other Executives/Staff (360,000 ESOP options and 3,961,905 OI options).
- **Existing Investors:** 4,169,601 OI options have been issued to our investors.

If all the options were exercised into ordinary shares, the issued capital would grow to 57,672,792 ordinary shares, representing a dilution of approximately 21%.

Table 1 sets out the issued capital of the Company before the Offer.

**Table 1: Issued capital of the Company before the Offer**

Shareholder	Share Type	Shares	Options
Founder	Ordinary	15,434,283 (34%)	3,464,000 (29%)
Executives & Staff	Ordinary	7,244,525 (16%)	4,321,905 (36%)
Other Existing Investors	Ordinary	23,038,478 (50%)	4,169,601 (35%)
Total		45,717,286 (100%)	11,955,506 (100%)



Table 2 sets out the issued capital of the Company following the Offer on a fully diluted basis (i.e. presuming all options and convertible securities are exercised).

**Table 2: Issued capital of the Company following the Offer (on a fully diluted basis)**

<b>Ordinary Shares</b>	<b>Minimum Subscription</b>	<b>Maximum Subscription</b>
<b>Founder</b>	18,898,283 (24.8%)	18,898,283 (23.6%)
<b>Executives &amp; Staff</b>	11,566,430 (15.1%)	11,566,430 (14.5%)
<b>Other Existing Investors</b>	27,208,079 (35.6%)	27,208,079 (34.0%)
<b>Convertible Note Shares</b>	18,280,000 (23.9%)	18,280,000 (22.9%)
<b>Offer Shares</b>	400,000 (0.5%)	4,000,000 (5.0%)
<b>Total Shares</b>	<b>76,352,792</b>	<b>79,952,792</b>

Note: Existing shareholders may elect to make an application for shares under this CSF offer.

## **2.6.2 Rights and liabilities associated with securities**

As at the date of this Offer, the only class of shares on issue are ordinary shares. The Company has also issued employee options (under an Employee Share Option Plan), investor options and convertible notes. Set out below is a summary of the rights and liabilities associated with the securities in the Company. A copy of the Company's Constitution is available on the Intermediary's platform.

### **Ordinary shares**

The rights and liabilities associated with the ordinary shares are set out in the Company's constitution, including:

- All ordinary shares have the same voting rights and the same rights to receive dividends.
- Restrictions on the sale or transfer of shares, including drag and tag rights and exit provisions.
- The Company has the discretion to approve a transfer of shares to a third party.

The shares offered under this Offer are ordinary shares. A more detailed description of the rights and liabilities associated with the ordinary shares is set out in Section 3.3 below.

## **Options**

The details, rights and liabilities associated with the previously issued 9,381,506 Ordinary Investor Options (excluding ESOP – see below) are:

- 1,535,502 unlisted options, exercisable into ordinary shares at \$0.168 per share and expiring on 09/05/2027.
- 690,480 unlisted options, exercisable into ordinary shares at \$0.200 per share and expiring on 09/05/2027.
- 1,696,000 unlisted options, exercisable into ordinary shares at \$0.250 per share and expiring on 19/07/2027.
- 59,524 unlisted options, exercisable into ordinary shares at \$0.168 per share and expiring on 30/06/2027.
- 400,000 unlisted options, exercisable into ordinary shares at \$0.125 per share and expiring on 31/03/2026.
- 5,000,000 unlisted options, exercisable into ordinary shares at \$0.15 per share and expiring on 15/06/2028.

## **Employee Share Option Plan (ESOP)**

The Company has implemented an Employee Share Option Plan (ESOP) to attract, retain and incentivise key employees.

As at the date of this CSF Offer Document, the Company has issued and allocated a total of 2,574,000 options under the Company's existing ESOP, of which zero options have vested and/or have been exercised by existing participants (i.e. employees) in the ESOP. No options under the ESOP remain unallocated.

## **Shareholders agreement**

Other than the Constitution, there is no shareholders agreement or other agreement between the existing shareholders of the Company.

### **2.6.3 Sources of financing, including debt financing and other financing**

To date, Disrupt Radio has been funded through a combination of shares investments, related party loans and convertible notes.

#### **Equity**

To date, the company issued 45,717,286 ordinary shares and raised \$4,075,086. This is comprised of the following shareholder groups:

- 20,360,476 ordinary shares have been issued to the founder, staff and early seed professional investors at a nominal total value of \$2,036;
- 25,356,810 ordinary shares have been issued professional investors at a total value of \$4,073,050.

As at 30<sup>th</sup> June 2023, the company had raised \$1,954,476 (34,216,286 ordinary shares). Since the 30<sup>th</sup> June 2023, a further 11,501,000 ordinary shares have been issued at a total value of \$2,118,574. This equates to approximately 18.4c per ordinary share.

See section 2.6.1 for more information.

#### **Founder loans**

Within the last six months, the Founder has loaned funds of \$72,100 in total to the Company, of which \$42,000 has been repaid.

The key terms of these loans are set out below. The Founder loans will not be repaid with the funds raised under the Offer.

- Amount outstanding: \$30,100
- Interest: 0% fixed / interest-free
- Repayment date: At the discretion of the Company
- Security: None

As at the date of this Offer, the Company has the following 'Non-interest bearing' loans, which were established within the last six months and don't form part of the disclosed 30th June 2023 accounts:

#### **Working Capital loans from Directors & Associates**

- Principal amount borrowed: \$636,400
- Amount outstanding: \$636,400
- Interest: 0% variable/fixed
- Repayment date: At the discretion of the Company
- Security: None

## **Interest Bearing Liabilities - Convertible Notes & Loans**

Key terms of the interest-bearing convertible notes & loans are as follows:

### Convertible notes issued prior to 30<sup>th</sup> June 2023

#### **Convertible Note 1: Avior Asset Management Group**

- Carrying value: \$1,267,212
- Maturity date: 11<sup>th</sup> July 2024
- Shares Conversion Price: 12.5 cents per share
- Interest rate: 7.8%
- Use of funds: Working Capital

### Convertible notes & loans issued after 30<sup>th</sup> June 2023

#### **Working Capital loan: Avior Asset Management Group**

- Carrying value: \$234,880
- Interest: 29.4% variable/fixed
- Repayment date: 13 November 2024
- Security: Assets of the Business
- Use of funds: Working Capital

#### **Convertible Note 1 (facility increase): Avior Asset Management Group**

- Total carrying value: \$1,614,655 (increase of \$347,443)
- Maturity date: 11<sup>th</sup> July 2024
- Shares Conversion Price: 12.5 cents per share
- Interest rate: 7.8%
- Use of funds: Working Capital

#### **Convertible Note 2: Willowgold Holdings Pty Ltd**

- Carrying value: \$150,000
- Maturity date: 15<sup>th</sup> July 2024
- Shares Conversion Price: 25 cents per share
- Interest rate: 12.5%
- Use of funds: Working Capital

#### **Convertible Note 3: Willowgold Holdings Pty Ltd**

- Carrying value: \$250,000
- Maturity date: 14<sup>th</sup> September 2024
- Shares Conversion Price: 12.5 cents per share
- Interest rate: 15%
- Use of funds: Working Capital

#### **Convertible Note 4: Costello Investment Holdings Pty Ltd**

- Carrying value: \$300,000

- Maturity date: 11<sup>th</sup> July 2024
- Shares Conversion Price: 12.5 cents per share
- Interest rate: 15%
- Use of funds: Working Capital

Note: The convertible notes may convert to ordinary shares, at any time on or before the expiry date of the convertible note.

**Grant funding**

The Company has not received any Government grants.

## 2.7 Key risks facing the business

An investment in the Company should be seen as high-risk and speculative. A description of the main risks that may impact the Company's business is below.

Investors should read this section carefully before deciding to apply for shares under the Offer. There are also other, more general risks associated with the Company (for example, risks relating to general economic conditions or the inability to quickly or easily sell your shares).

Risk	Description
Program format risk	If the programs fail to attract listeners, the advertising revenues (which are partially driven by listener numbers) will be lower than budgeted.
Loss of Personnel	If key staff or talent (presenters) leave our business, there is a risk that this will impact the quality of our programs in the short term. <i>Note: Over the past 12 months, there have already been changes to the line-up of presenters &amp; producers without any change to the quality of our programs or the program output.</i>
Loss of broadcast license	If Disrupt Radio lost access to the broadcast license, we would not be able to broadcast live on the commercial radio network. <i>Note: Disrupt Radio also streams live on the internet. Our live streaming is not connected to or affected by the broadcast license.</i>
Technical broadcast infrastructure failure	If there was a problem or breakdown of the broadcast infrastructure, Disrupt Radio's programs would be off air (downtime). <i>Note: Disrupt Radio subleases the license (spectrum) through SEN (ASX:SEG), who have invested heavily in their infrastructure. Downtime has already occurred on a few occasions over the last year and was minimal.</i>
Advertising revenue is lower than forecasted	There is a risk that the advertising 'spend' market contracts in times of an economic downturn, which then has a corresponding impact to our advertising revenues.
Cash flow risk	The Company's operating activities involve a series of cash inflows and outflows. Although the Company seeks to manage its cash flow efficiently, there is a risk that the Company may not have sufficient cash or working capital, at times, to fund both its operations and its expansion plans. This could affect the Company's profitability, future prospects, and its ability to meet its business objectives.
Funding risk	The Company is in the process of raising funds to achieve its strategic business objectives and to cover its projected operating expenses. The Company may not raise all of the required funding and therefore not achieve all of its business objectives. The Company may also need to raise additional funds in the future from investors or third parties. There is no assurance that the Company will be able to obtain additional rounds of funding on substantially the same terms as outlined in this Offer Document or at all. The Company's value may be materially affected if the required additional funding is not available.

Insolvency risk	The Company is not yet profitable. The Company is seeking to obtain further funding to achieve its ultimate sales, marketing and technology objectives. There is no guarantee that funding will be available on favourable terms or that the Company will receive any level of funding at all.
Dilution risk	If, in the future, the Company undertakes further funding activities, a shareholder's interest may be diluted (if they do not participate in future fundraising).

## 2.8 Financial information

Below are the audited financial statements of the Company for the financial years ended 30 June 2023 and 30 June 2022, which have been prepared in accordance with the Accounting Standards. These statements mostly reflect the design/planning phase of the business up until the 26 June 2023 launch. As such, the revenues only reflect one week of 'live' operations.

Management accounts for the 11 months ended 31 May have also been included. The information has been prepared on a consistent basis and accordingly may be subject to change.

### 2.8.1 Balance sheet

<b>Disrupt Media Limited</b>		
<b>Statement of Financial Position</b>		
<b>As at 30 June 2023</b>		
	<b>30 Jun 2023</b>	<b>30 Jun 2022</b>
	<b>\$</b>	<b>\$</b>
<b>CURRENT ASSETS</b>		
Cash and Cash equivalents	434,098	163,200
Trade and Other Receivables	46,067	8,609
Prepayments	40,740	79,852
Accrued Income	10,000	-
Loan - Disrupt Radio Pty Ltd	6,576	3,276
<b>TOTAL CURRENT ASSETS</b>	<b>537,481</b>	<b>254,937</b>
<b>NON-CURRENT ASSETS</b>		
Property, Plant & Equipment	170,182	11,013
Right of Use Assets	1,316,917	-
Bonds and Deposits	311,070	189,072
Deferred Tax Assets	682,583	50,284
<b>TOTAL NON-CURRENT ASSETS</b>	<b>2,480,752</b>	<b>250,369</b>
<b>TOTAL ASSETS</b>	<b>3,018,233</b>	<b>505,306</b>
<b>CURRENT LIABILITIES</b>		
Trade and Other Payables	293,060	2,969
Provisions	13,332	-
Lease Liability	79,746	-
<b>TOTAL CURRENT LIABILITIES</b>	<b>386,138</b>	<b>2,969</b>
<b>NON-CURRENT LIABILITIES</b>		
Interest Bearing Liabilities	1,267,212	-
Funds Received in Advance for Shares	170,000	-
Lease Liability	1,299,891	-
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>2,737,103</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>	<b>3,123,241</b>	<b>2,969</b>
<b>NET ASSETS</b>	<b>(105,008)</b>	<b>502,337</b>
<b>EQUITY</b>		
Issued Capital	1,954,476	653,377
Share Based Payment Reserve	515,779	-
Retained Earnings	(2,575,263)	(151,040)
<b>TOTAL EQUITY</b>	<b>(105,008)</b>	<b>502,337</b>



## 2.8.2 Profit and loss statement

Disrupt Media Limited		
Statement of Profit or Loss and Other Comprehensive Income		
For the year ending 30 June 2023		
	30 Jun 2023	22 Nov 2021 to 30 Jun 2022
	\$	\$
Revenue	10,000	-
Total Income	10,000	-
Broadcasting Costs	269,594	21,720
Communication Costs	4,545	-
Content & Programming Costs	213,127	-
Depreciation & Amortisation	121,538	532
Direct Labour Costs	912,642	100,653
Entertainment Costs	10,282	189
Finance Costs	280,852	-
Insurance Costs	4,244	3,851
IT Costs	5,178	-
Marketing and Promotions Costs	273,520	16,850
Office Expenses	44,974	20,702
Other Expenses	15,951	392
Professional Services	292,643	19,696
Share Based Payment Expenses	515,779	-
Travel and Accommodation Costs	174,661	16,739
(Gain)/Loss on Financial Liabilities carried at Fair Value	(73,008)	-
<b>Loss Before Income Tax</b>	<b>(3,056,522)</b>	<b>(201,324)</b>
Income Tax Benefit	632,299	50,284
<b>Loss After Income Tax</b>	<b>(2,424,223)</b>	<b>(151,040)</b>
<b>Other Comprehensive Income</b>	-	-
<b>Total Comprehensive Income Loss</b>	<b>(2,424,223)</b>	<b>(151,040)</b>

### 2.8.3 Cash flow statement

**Disrupt Media Limited**  
**Statement of Cash Flows**  
**For the year ending 30 June 2023**

	30 Jun 2023	30 Jun 2022
	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Payments to suppliers and employees	(2,041,582)	(478,632)
Interest paid	(48,914)	-
Net cash used for operating activities	<u>(2,090,496)</u>	<u>(478,632)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Payments for property, plant and equipment	(170,495)	(11,545)
Lease Payments	(178,180)	-
Net cash used in investing activities	<u>(348,675)</u>	<u>(11,545)</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from loans	1,408,970	-
Proceeds from issue of shares	1,301,099	653,377
Net cash generated by financing activities	<u>2,710,069</u>	<u>653,377</u>
Net increase/(decrease) in cash and cash equivalents	270,898	163,200
Cash and cash equivalents at beginning of year	<u>163,200</u>	<u>-</u>
<b>Cash and cash equivalents at end of year</b>	<b><u>434,098</u></b>	<b><u>163,200</u></b>

## 2.8.4 Statement of changes in equity

### Disrupt Media Limited

#### Statement of Changes in Equity For the year ending 30 June 2023

	Issued Capital \$	Share Based Payment Reserve	Retained Earnings \$	Total \$
<b>Balance at 22 Nov 2021</b>	-	-	-	-
Net loss for the period	-	-	(151,040)	(151,040)
<b>Total comprehensive loss</b>	-	-	(151,040)	(151,040)
Share capital issued	653,377	-	-	653,377
<b>Balance at 30 Jun 2022</b>	<b>653,377</b>	-	<b>(151,040)</b>	<b>502,337</b>
Net loss for the period	-	-	(2,424,223)	(2,424,223)
<b>Total comprehensive loss</b>	-	-	(2,424,223)	(2,424,223)
Share capital issued	1,301,099	-	-	1,301,099
Share based payments	-	515,779	-	515,779
Dividend paid	-	-	-	-
<b>Balance at 30 Jun 2023</b>	<b>1,954,476</b>	<b>515,779</b>	<b>(2,575,263)</b>	<b>(105,008)</b>

## 2.8.5 Management Accounts for the 11 months ended 31<sup>st</sup> May 2024

<b>Profit and Loss</b> Disrupt Media Limited	
	<b>11 mths ended</b> <b>31 May 2024</b> \$
<b>Revenue</b>	
Advertising Revenue	308,028
<b>Total Income</b>	<b>308,028</b>
<b>Expenditure</b>	
Broadcasting & Technology Costs	761,294
Commercial and Sales Costs	125,166
Content & Programming Costs	80,703
Depreciation & Amortisation	42,663
Entertainment Costs	6,211
Financing Costs	448,202
Insurance Costs	19,472
IT and Infrastructure Costs	101,462
Marketing & Promotions Costs	31,327
Media Fees & Subscriptions	33,253
Office Expenses	35,364
Other Expenses	2,328
Professional Services	137,915
Travel and Accommodation Costs	163,049
Wages & Contractor Costs	2,888,355
<b>Total Expenditure</b>	<b>4,876,765</b>
<b>Cumulative Profit/(Loss)</b>	<b>(4,568,737)</b>

# Disrupt Media Limited

## Statement of Financial Position

As at 31 May 2023

\$(AUD)

### CURRENT ASSETS

Cash and Cash equivalents	5,714
Trade and Other Receivables	49,898
Prepayments	38,697
Accrued Income	4,000
Loan - Disrupt Radio Pty Ltd	7,106
<b>TOTAL CURRENT ASSETS</b>	<b>105,415</b>

### NON-CURRENT ASSETS

Property, Plant & Equipment	136,130
Right of Use Assets	1,316,917
Bonds and Deposits	311,070
Deferred Tax Assets	50,284
<b>TOTAL NON-CURRENT ASSETS</b>	<b>1,814,401</b>

### TOTAL ASSETS

**1,919,816**

### CURRENT LIABILITIES

Trade and Other Payables	712,518
Provisions	40,270
Loans from Associates	666,500
Lease Liability	79,745
<b>TOTAL CURRENT LIABILITIES</b>	<b>1,499,033</b>

### NON-CURRENT LIABILITIES

Interest Bearing Liabilities	2,549,535
Funds Received in Advance for Shares	400,000
Lease Liability	1,299,892
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>4,249,427</b>

### TOTAL LIABILITIES

**5,748,460**

### NET ASSETS

**(3,828,644)**

### EQUITY

Issued Capital	3,504,886
Share Based Payment Reserve	515,779
Retained Earnings	(7,849,309)
<b>TOTAL EQUITY</b>	<b>(3,828,644)</b>

Since 30 June 2023 and based on our May-24 management accounts, the material changes to the Disrupt Media balance sheet (to fund our working capital needs) are:

- Decrease of \$428k in the bank balance.
- Increase of \$420k in our payables.
- Directors and Associates have provided loans of \$666k.
- Third party loans and convertible note loans of \$1,282k have been issued.
- We recently received \$400k for shares - currently being processed/registered.
- We have received a further \$1,551k of new share investments.

## **2.8.6 Management comments on historical performance and outlook**

After a hugely successful launch in late June 2023, Disrupt Radio has refined its content, programming and operations strategy to maximise commercial opportunities. The first stage of the business focused on executing our content and vision, with our programming and audience experience being central to this process. Despite limited audience data until October (due to industry ratings cycles), Disrupt Radio averaged 25,000 weekly listeners (exceeding targets) and attracted the high calibre of top-tier advertisers we envisioned prior to launch.

As the Australian advertising market softened in the last quarter of 2023, we proactively advanced future sales plans, including a strategic pivot to direct sales. A new direct sales team was established in Melbourne in the first quarter of 2024, to secure direct advertisers based on strong, trusted local relationships. This approach has proven very successful and provided a blueprint for the rollout of a new direct sales strategy that will drive revenue.

Despite the industry-wide advertising market and economic challenges over the past year, Australian commercial radio listener numbers, a core KPI, continued to grow. This positive trend positions Disrupt Radio to expand our listener base and advertising revenues as the market recovers.

Disrupt Radio's year-to-date loss for the 11 months up to May 2024 stands at \$4.6 million, above the budgeted loss of \$2.9 million. Despite the expected challenges typically facing start-up businesses, in May 2024 Disrupt Radio managed to achieve the best sales performance since September 2023. With advanced advertising revenue contract discussions underway, we expect the recent sales momentum to grow significantly. On the expenditure side, we have successfully reduced our operating cost base to less than \$400,000 per month, a significant achievement for a national commercial radio station.

Disrupt Radio operates as a three-stage business. The first stage involved honing and refining our programming. The second phase – where we are now – is all about streamlining sales and building momentum with the best possible revenue team structure. The third phase, focuses on growth and profitability, capitalising on a strong content and sales foundation. This phase naturally includes expanding domestically and internationally.

In the coming months, we expect significant growth in advertising revenues as we build out and hire a dedicated direct sales and commercial partnerships team.

Our revenue and audience metrics to date substantiate the financial potential of the radio station. The data and current revenue figures have provided a clear blueprint for the model (and subsequent hiring) necessary to reach a profitability threshold.

With projected revenue increases, and our lean cost structure, we will achieve a monthly profit and loss break-even position once our advertising revenues exceed \$400,000 per month and believe this is achievable in the short to medium term.

The funds raised under the CSF Offer will be used for our sales and marketing efforts, revenue generation ability and working capital. Post this CSF Offer, the company intends to raise further capital to achieve its objectives. Overall, Disrupt Radio is on a strong trajectory, leveraging our unique market position to achieve sustainable growth and success.

*Comments on revenue outlook are inherently uncertain and should not be solely relied upon as they are subject to change, uncertainty and unexpected events, many of which cannot be controlled. Accordingly, actual results are likely to differ from the forecasts. No representation or assurance is or can be given that the forecasts will be achieved. Past performance is no guarantee of future performance. This revenue outlook has been prepared by the Company and has not been validated by an independent third party.*

## Section 3: Information about the Offer

### 3.1 Terms of the Offer

The Company is offering up to 4,000,000 shares at an issue price of \$0.25 per share to raise up to \$1,000,000. The key terms and conditions of the Offer are set out below.

Term	Details
Shares	Fully paid ordinary shares
Price	\$0.25 per share
Minimum Subscription	\$100,000
Maximum Subscription	\$1,000,000
Opening date	27 June 2024
Closing date	11 July 2024

A description of the rights associated with the shares is set out in Section 3.3.

To participate in the Offer, you must submit a completed application form together with the application money via the Intermediary's platform. The Intermediary's website provides instructions on how to apply for shares under the Offer at [www.birchal.com](http://www.birchal.com).

The Intermediary must close the Offer early in certain circumstances. For example, if the Maximum Subscription is reached, the Offer must be closed. If the Minimum Subscription is not reached or the Offer is closed but not completed, you will be refunded your application money.

Retail investors may withdraw their application during the Cooling-off Period. Further information on investor cooling-off rights can be found in Section 4 of this CSF offer document.

The Offer is not underwritten and there is no guarantee that these funds will be raised.



## 3.2 Use of funds

The table below sets out the intended use of funds raised under this Offer based on the minimum and maximum subscription amounts.

Intended use	Minimum Subscription	Maximum Subscription
Sales & Revenue generation	\$30,000	\$300,000
Marketing & Promotion Activity	\$23,500	\$262,000
Technology & Digital Investment	\$11,500	\$115,000
Working Capital	\$24,500	\$245,000
Offer costs	\$10,500	\$78,000
Total	<b>\$100,000</b>	<b>\$1,000,000</b>

Sales & Revenue Generation includes hiring additional sales representatives.

Marketing & Promotion includes out of home advertising & marketing initiatives to promote the business.

Technology & Digital Investment includes upgrading of our website and internal IT infrastructure.

Working Capital includes payroll, contractor and operational costs.

Details of payments to be made to directors and senior managers out of the funds raised under the CSF Offer are as follows:

- \$15,000 (Minimum Subscription) & \$100,000 (Maximum Subscription)

The Offer costs includes the Intermediary's fees under the hosting agreement between the Company and the Intermediary. These fees are up to 7.5% of all funds raised by the Company through Birchall Financial Services Pty Ltd (Intermediary), plus \$3,000 for administration and setup costs. The Offer costs are exclusive of GST.

Other than as specified above, no other payments from the funds raised will be paid (directly or indirectly) to related parties, controlling shareholders, or any other persons involved in promoting or marketing the Offer.

We expect that the Maximum Subscription amount will be sufficient to meet the Company's short-term objectives over the next 6-12 months.

If this CSF Offer is unsuccessful, or if only the Minimum Subscription amount is raised, the Company will require further funding to be able to carry out our intended activities over the next 6-12 months. In such circumstances, the Company may consider alternative sources of funding, such as undertaking a further CSF offer under the CSF regime or other debt or equity funding. Until additional funding is obtained, the Company would scale back operations and continue to focus our cash resources on maintaining broadcast infrastructure.

### **3.3 Rights associated with the shares**

Immediately after issue, the shares under this Offer will be fully-paid ordinary shares. There will be no liability on the part of shareholders and the shares will rank equally with the shares currently on issue. The rights associated with the shares are set out in the Company's constitution. These rights are described below. A copy of the constitution is available on the Intermediary's platform.

#### **3.3.1 Voting rights**

Each shareholder has one vote on a show of hands and, on a poll, one vote for each share held.

#### **3.3.2 Dividends**

All shareholders have a right to receive any dividends declared and paid by the Company. The directors have a discretion and may resolve to pay dividends, subject to their obligations under the Corporations Act (for example, they cannot pay dividends unless the Company's assets are sufficiently in excess of its liabilities immediately before the dividend is declared and where it may materially prejudice the Company's ability to pay its creditors).

### **3.3.3 General meetings and notices**

Directors have the power to call meetings of all shareholders or meetings of only those shareholders who hold a particular class of shares. Shareholders who hold at least 5% of the votes which may be cast at a general meeting of the Company have the power to call and hold a meeting themselves or to require the directors to call and hold a meeting.

### **3.3.4 Election and removal of directors**

Shareholders may vote to elect and remove directors at a general meeting by way of ordinary resolution (50%).

### **3.3.5 Winding-up**

If the Company is wound up and there are any assets left over after all the Company's debts have been paid, the surplus is distributed to shareholders after secured and unsecured creditors of the Company. The Company has only issued fully-paid ordinary shares with equal voting rights. There are no other classes of shares.

### **3.3.6 Restrictions on sale and transfer**

#### **Exit provisions**

The Board may propose an Exit Event including an IPO, share sale, asset sale or another transaction which results in a change of control, or which the Board determines is an Exit Event.

#### **Compulsory acquisition of shares**

In the event of an Exit Event, the Corporations Act 2001 (Cth) allows any shareholder(s) who hold at least 90% of the shares in a company, the ability to compulsorily acquire the remaining shares.

#### **Escrow arrangements in an IPO**

If an Exit Proposal is approved under the Constitution and that Exit Proposal involves an IPO, each shareholder agrees to enter into any required escrow arrangements as may be required by law, the rules of the relevant stock exchange, or as may be recommended by the relevant financial adviser to enable the success of the IPO.

### **3.3.8 Amendments to the Constitution**

To vary the Constitution or adopt a new constitution, the Company must pass a special resolution at a general meeting. At least 75% of the voting members of the Company must vote in favour of the resolution for it to pass.

### 3.4 What can I do with my shares?

Shares in the Company are considered illiquid as they cannot easily be transferred or sold.

However, there are numerous possible circumstances that may create an opportunity for shareholders to exit their investment in the Company. These include:

- A trade purchase of the Company
- A listing on a registered stock exchange (eg the ASX)
- A private equity investment in the Company
- A share buy-back by the Company

There is no guarantee that any of the exit options will eventuate.

## Section 4: Information about investor rights

### 4.1 Cooling-off rights

If you are a retail investor, you have the right to withdraw your application under this Offer and to be repaid your application money. If you wish to withdraw your application for any reason (including if you change your mind about investing in the Company), you must do so within five business days of making your application (**Cooling-off Period**).

You must withdraw your application via the Intermediary's platform. You will be able to withdraw your application within the Cooling-off Period by following the link and the instructions within your portfolio on the Intermediary's platform.

After your withdrawal has been processed, the Intermediary will refund the application money to your nominated account as soon as practicable.

### 4.2 Communication facility for the Offer

You can ask questions about the Offer on the communication facility available on the Intermediary's platform. You can also use the communication facility to communicate with other investors, with the Company and with the Intermediary about this Offer.

You will be able to post comments and questions about the Offer and see the posts of other investors on the communication facility. The Company and/or the Intermediary will also be able to respond to questions and comments posted by investors.

Officers, employees or agents of the Company, and related parties or associates of the Company or the Intermediary, may participate in the facility and must clearly disclose their relationship to the Company and/or Intermediary when making posts on the facility.

Any comments made in good faith on the communication facility are not subject to the advertising restrictions in the Corporations Act.

## 4.3 Public company corporate governance obligations

### 4.3.1 Annual general meetings

The Company is required to hold an annual general meeting (AGM) at least once in every calendar year and within 5 months from the end of the Company's financial year, being 30 June.

At the AGM, shareholders will be provided with an opportunity to directly question the directors and management in an open forum about the management, business operations, financial position or performance of the Company.

### 4.3.2 Annual report

The Company is required to prepare an annual financial report and directors' reports at the end of each financial year and lodge these with ASIC (within four months of the financial year end). The Company has a 30 June year end and its financial reports must be lodged by 31 October each year.

The Company is required to have its financial reports audited, which provides independent oversight over the financial affairs of the Company.

The directors of the Company are also required to make a declaration that the financial statements give a true and fair view of the Company's financial position and performance and that the financial statements comply with the accounting standards.

### 4.3.3 Distribution of annual report

Shareholders can access the annual report on the Company's share registry website at the following address [www.automicgroup.com.au](http://www.automicgroup.com.au).

## 4.4 Company updates

The Company will provide regular updates to investors on the Company's website at the following address [www.disrupt.radio](http://www.disrupt.radio) and via the Company's share registry website at the following address [www.automicgroup.com.au](http://www.automicgroup.com.au).

# Glossary

**Company** means Disrupt Media Limited ACN 655 469 542

**Cooling-off Period** means the period ending five business days after an application is made under this Offer, during which a retail investor has a right to withdraw their application and be repaid their application money

**CSF** means crowd-sourced funding under Part 6D.3A of the Corporations Act

**Intermediary** means Birchall Financial Services Pty Ltd ACN 621 812 646 AFSL 502618

**Maximum Subscription** means the amount specified in this CSF offer document as the maximum amount sought to be raised by the Offer. The Maximum Subscription is subject to rounding based on the share price of the Offer.

**Minimum Subscription** means the amount specified in this CSF offer document as the minimum amount sought to be raised by the Offer. The Minimum Subscription is subject to rounding based on the share price of the Offer.

**Offer** means an offer of fully-paid ordinary shares by the Company under this CSF offer document

**Retail investor** has the meaning given to the term “retail client” under the Corporations Act