

A black and white photograph of a vinyl record on a turntable. The record is mostly white with some dark, possibly handwritten, markings near the center. The needle is on the track, and the background is dark.

ANNUAL REPORT 2025

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HIGHLIGHTS

The number of PPCA licensors and registered artists continued to grow in 2024 – 2025, as awareness of PPCA and its activities continue to grow in parallel. The distributable surplus was slightly lower than the previous financial year due to the significant investment in the two Copyright Tribunal proceedings which occurred over the past year.

- Income up by 5.3%
- Distributable surplus down 0.25%

Revenue Generated

\$65,435,162

Cost to Income ratio

26.3%

Public Performance Revenue

\$38,288,830

Number of Licensors

4,615

Broadcast & Online Revenue

\$24,411,451

Number of Registered Artists

5,947

Net Distributable Revenue

\$48,253,237

CHAIR REPORT

It is an honour to have been the PPCA Chair again this year.

I have been involved with PPCA since around 2017, and it is my personal view that 2025 has felt different in regards to making headway with certain issues, and also in regards to helping lead a more cohesive and collegiate sector toward some significant wins.

Firstly, I would like to acknowledge Annabelle Herd and all of the PPCA staff, with a special mention for the departing Chief Operating Officer, Lynne Small, for their incredible efforts in 2025.

Most notably this year, PPCA was a leader in preventing Big Tech's attempts to change the Copyright Act through the introduction of a text and data mining (TDM) exception. My experience is that many artists and creatives were not necessarily aware of the insidious nature of this threat, which makes PPCA's advocacy on their behalf all the more important. Annabelle Herd together with other industry partners such as APRA AMCOS and AMPAL and artists Jack River, Briggs, Paul Dempsey, and Dan McNamee appeared before the Senate Environment and Communications References Committee inquiry into the National Cultural Policy which focused on AI.

During this hearing, PPCA successfully advocated for why a TDM is unnecessary. The Attorney General subsequently announced that ongoing consultations on Australia's copyright laws will not include a Text and Data Mining Exception. This is a great result – but the work on this issue still continues.

PPCA continued to call to remove the outdated radio caps, and having been involved in this saga for at least 7 years, I genuinely feel that the tide has started to turn. The Radio Fair Play campaign was a really visible project, and Annabelle Herd and Bill Cullen were both on a panel at IndieCon this year making the case for why the caps must go. I was also pleased to join Annabelle, Bill and other industry partners in meeting with Minister Burke earlier this year to discuss the caps and other issues that are of importance to PPCA's licensors and registered artists, including considerations for the Government's REVIVE 2.0 policy.

This year, PPCA was in the Copyright Tribunal for the Commercial Radio hearing in May and the Free TV hearing in October.

These hearings involved a significant amount of time and resources but were needed to help grow and protect PPCA's revenues. We hope to receive positive decisions on these cases.

PPCA has continued to support Australian artists through its contributions to the Association of Artist Managers (AAM), Support Act and Sounds Australia, just to name a few. We also continued our sponsorship of the Breakthrough Artist Award at the AIR Awards. PPCA also partnered with ARIA to once again present the Best Independent Release award at the 2024 and 2025 ARIA Awards. I was honoured to present that award at the ARIA Awards last month.

The PPCA Board Observership Program continued this year, and I want to thank Hannah Marsh and Vuli Mwananzi for being wonderful PPCA Board Observers. I also want to acknowledge Vince Donato who joined the PPCA Board in 2025 – welcome Vince.

Behind the scenes, the changes to the IT distribution systems has been a massive project, and is slated for completion in 2026. Huge thanks to the PPCA staff for navigating such an enormous change.

The distributable surplus for 2024/2025 which is due for distribution in December is \$48.2M which is 0.25% less than the previous year - primarily driven by the costs of the two Copyright Tribunal cases.

Overall revenues increased by 5.3%. As we reach the sixth anniversary of the launch of OneMusic Australia, it is good to see that public performance revenues continue to rise.

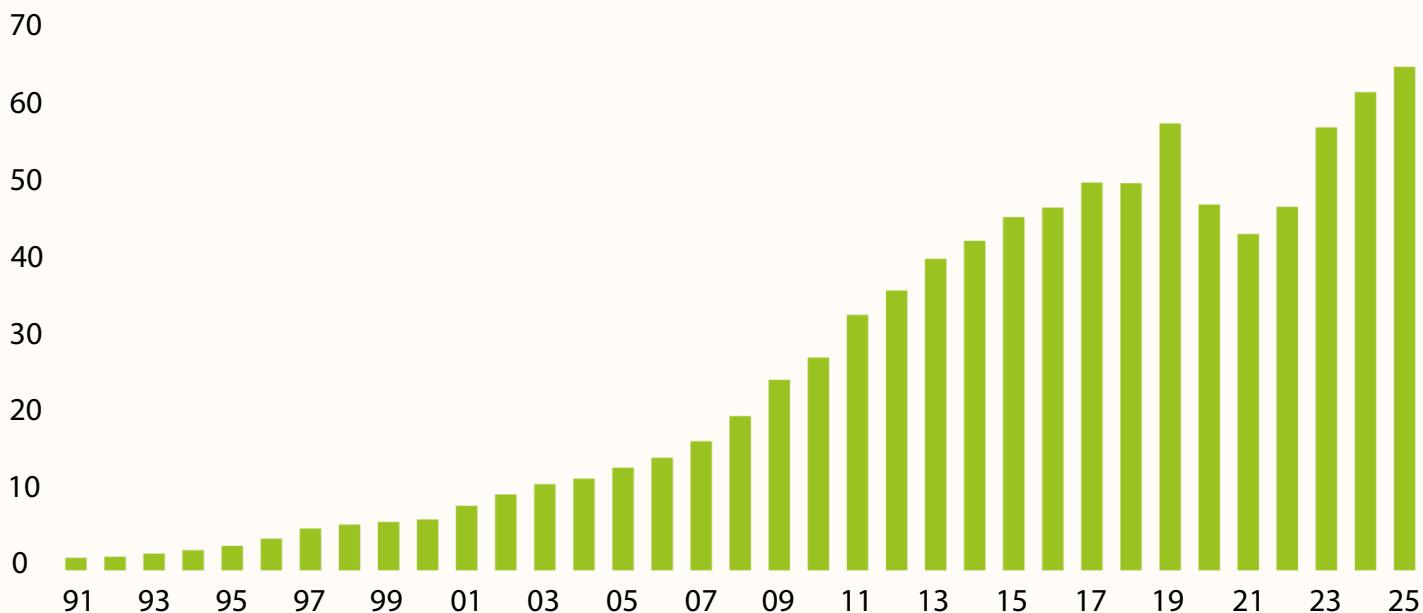
To close as we started, another huge thanks is due to the Board, Annabelle and all of PPCA's staff for their efforts this year. Again, I would like to acknowledge Lynne Small, who retired from PPCA this year after nearly 30 years of dedicated service. Lynne was instrumental in helping to grow PPCA over the past decades and her impact on PPCA and the broader industry is immeasurable. I wish Lynne a very happy retirement.

It has been a pleasure to work with you all again and I look forward to continuing to do so in 2026.

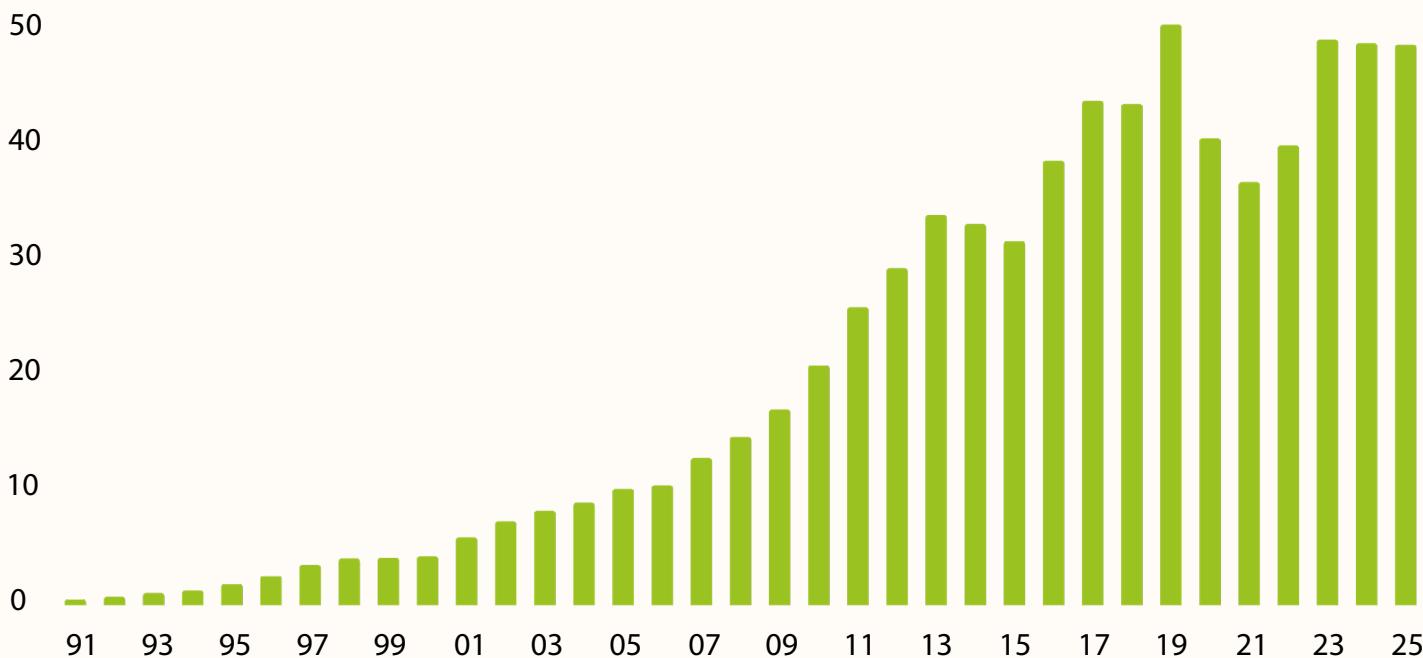
Josh Pyke
PPCA Chair
December 2025

SUMMARY

Gross Revenue (Millions)



Distribution (Millions)



THE COMPANY

| | | | |
|------------------------------|---|---|--|
| Registered office | Level 4, 11-17 Buckingham Street, Surry Hills, NSW 2010 A.C. N. 000 680 704 | | |
| Bankers | Commonwealth Bank of Australia | | |
| Solicitors | Gilbert + Tobin | | |
| Auditors | Pitcher Partners (Sydney) | | |
| Executive Secretariat | Annabelle Herd Chief Executive Officer | Nick Esmore Finance Director | |
| | Lynne Small Chief Operating Officer & Company Secretary (until 15 May 2025) | Alistair Alderson Manager, Business Technologies | |
| | Rohini Sivakumar General Counsel (appointed Company Secretary 15 May 2025) | Amanda McGregor Marketing & Brand | |
| | Julia Robinson Head of Government Relations and Programs | Linda Courtney Distribution Manager | |
| | | Dane Hodges Deputy Distribution Manager | |
| Directors | Jen Cloher PPCA Artist Representative Board Member | Vince Donato PPCA Licensor Representative Board Member | |
| | Duncan Collins Licensor Representative Board Member | Joshua Pyke PPCA Artist Representative Board Member | |
| | Bill Cullen PPCA Board Member | Sean Warner PPCA Board Member | |
| | Gordon Pitt PPCA Board Member | Dan Rosen PPCA Board Member | |

BOARD MEMBERS

Jen Cloher

PPCA Artist Representative Board Member



I am a songwriter and performer based in Naarm (Melbourne). Since graduating from NIDA in 1995 I have built an enduring career in the arts. My first studio album was nominated for an ARIA Award and my self-titled 2017 release won both the Double J and AIR Award for Best Independent Artist. My fifth album I Am The River, The River Is Me (2023) was recently nominated for an ARIA Award, shortlisted for the Australian Music Prize and won Best Solo Artist at the Music Victoria Awards. In 2012 I co-founded the Milk! Records label with Grammy nominated artist Courtney Barnett. Milk! Records is now home to many women and non-binary artists both in Australia and around the world. For the past decade I have facilitated I Manage My Music, a masterclass series for self managed artists. I am a strong advocate for artist rights and the empowerment of First Nations, POC and LGBTIQ+ voices in music culture. One of my core responsibilities as a mid career artist is to make sure the industry we work in is transparent and accountable to its most precious resource the next generation of artists coming up. Without us there is no industry.

Duncan Collins

Licensor Representative Board Member



Duncan Collins is the Chief Operating Officer of TMRW Music Group, one of Australia's largest independent entertainment groups. With a career spanning 20 years across the UK, Europe and Australia, he has been on the frontline of some of the biggest clubs in the world, as well as at the helm of one of the UK's most successful ever independent record companies, Ministry of Sound.

Having moved to Australia in 2011, he now works hand in hand with Tim McGee running a group of independent music companies covering recordings, publishing, live events, artist management and venue management under the TMRW banner. Across the companies they represent notable artists including Fisher, KLP, Pnau, Savage and Hot Dub Time Machine, as well as brands such as Ministry of Sound. He is very passionate about Australian recorded music and festivals, artist rights and independent musicians.

Bill is the Managing Director of One Louder Entertainment, the management home to Paul Kelly, Kate Miller-Heidke, Neil Finn, Alex The Astronaut, Kim Churchill and Ball Park Music.

He has been involved in the music business since leaving school, and did a long stretch working with Grant Thomas Management, working with acts such as Crowded House and The Rockmelons. A five year stint in London followed, where he worked with the legendary Pete Jenner (manager of Pink Floyd, The Clash, Billy Bragg etc.), before going on to co-manage New Zealand act OMC (How Bizarre) who went on to a number one single and gold album in the US. He returned to Australia in 1999, and established One Louder, and has since had gold plus success with Alex Lloyd, George, Amiel, Sarah Blasko, Kate Miller-Heidke, End Of Fashion and Paul Kelly.

Vince Donato
Licensor Representative Board Member



Vincent Donato joined the PPCA Board on 1 July 2025. Vincent is a director at Laneway Music Australia, a company focused on music rights management and catalogue development.

Vincent began his career as a musician, gaining invaluable insight into the creative side of the industry. In the mid-1980s, he transitioned into the business side of music with a role at the iconic Mushroom Records as an Accountant. His interest in the commercial aspects of entertainment led him to work as an executive for Network Ten and later Shock Entertainment, where he honed his financial and operational expertise.

He later returned to the Mushroom Group in a senior leadership role as Commercial Director, where he founded Liberator Music, a label that became a major success within the Mushroom Group, known for its strong roster and international reach.

Following this, Vincent founded the independent label Third Verse, further supporting innovative and emerging talent. His entrepreneurial drive eventually led him to establish Laneway Music, where he continues to play a pivotal role in shaping and supporting the Laneway Music artist roster.

Josh Pyke

PPCA Artist Representative Board Member



Acclaimed multi-ARIA Award winning acoustic troubadour Josh Pyke is one of Australia's most respected and successful musicians, with an extensive career that has taken him across the country and around the world.

Josh has released 5 ARIA top ten solo albums, and won 4 ARIA's in a career that has spanned over 12 years.

Josh has always used his public position to remain a staunch advocate for the arts. With his work as an ambassador for APRA/AMCOS, the Indigenous Literacy Foundation, as well as his own project for young musicians, The Josh Pyke Partnership, Pyke has endeavoured to not only raise funds and awareness for the arts, but offer his insights and mentorship from his experience as a working musician.

Josh was elected as Artist Representative to the PPCA Board in early 2016, has been re-elected at the conclusion of each two year term, and in early 2023 was appointed PPCA Chair.

Dan Rosen

PPCA Board Member



Dan Rosen is the President of Warner Music Australasia. He is a lawyer, policy advisor, musician and a key advocate for Australian artists and the music industry.

Prior to starting at Warner, Rosen served as the Chief Executive of ARIA and PPCA for a decade, the peak industry bodies for the Australian music industry. Before joining ARIA and PPCA, Rosen was based in New York working as Head of Americas for ROO Media, a NASDAQ listed digital media company. Rosen is a Fulbright Scholar who completed his Masters of Law and Business at New York University.

Before leaving for the States, Rosen worked as an Advisor to the Federal Minister of Communications, Richard Alston, after starting his career as a lawyer, specialising in media and technology, with Minter Ellison.

As an artist with his band Second Dan notably won Triple J's Unearthed competition in 2003, and went on to independently release two albums and toured throughout the US and Australia.

Gordon Pitt
PPCA Board Member



Gordon Pitt is the VP, Commercial, Business & Legal Affairs, ANZ, at Sony Music Entertainment.

Gordon has been with Sony Music since 2013. Before joining Sony Music, Gordon worked in sports, media and entertainment at IMG and before then as commercial and intellectual property lawyer at Allens and the Sydney 2000 Olympic Games Organising Committee.

Sean Warner
PPCA Board Member



Sean Warner is President, Universal Music Australia & New Zealand, a division of Universal Music Group.

Prior to becoming President in January 2023, Sean played an integral role in the commercial growth and success of UMA. He has been an active member of the company's senior executive management team; most recently, he held the strategic role of Senior Vice President of Commercial, responsible for commercial growth, innovation, and digital development for UMA & New Zealand. Sean has led the company's commercial business for over 15 years, from physical sales to streaming, in addition to overseeing business strategy in Southeast Asia (SEA), launching Bravado's merchandise and licensing operations in the Australia & New Zealand (ANZ) region, and developing UMA's eCommerce business.

Prior to UMA, Sean held senior roles across Music, Media and Entertainment organisations, including BMG Interactive, Sony PlayStation, DMX Music and Foxtel; a career launched by his studies in Commerce, majoring in Accounting and Law. Sean is the Chair of the AMTD Fundraising committee for the music charity organisation Support Act and is a passionate fan of Australian music and artists.

Sean is committed to continuing to build UMA as the number one home for artists and championing music culture across Australasia.

MANAGEMENT REPORT

Financial

The overall financial results for the financial year 2024/2025 show an overall revenue increase of 5.3%, which was a positive outcome. However, the distributable surplus declined by 0.25% from last year primarily driven by the costs of the two Copyright Tribunal proceedings.

As advised in previous reports the two Copyright Tribunal matters relate to licence schemes for (i) the Free to Air (FTA) Commercial Television sector, and (ii) Commercial Radio broadcasting.

The FTA scheme was referred to the Tribunal by the broadcasters' peak body, Free TV, in late December 2022. The hearing occurred across three weeks in October 2025.

In May 2023, after commercial radio and PPCA were unable to agree to terms, PPCA referred its proposed licence scheme for Commercial Radio broadcasting to the Copyright Tribunal. The hearing took place across nearly 3 weeks in May and June 2025.

A significant amount of time and work was devoted to these hearings during the 2024/2025 financial year – but these hearings are important in order to validate the value of sound recordings to these sectors. The costs of these two Tribunal proceedings caused PPCA's expense to revenue ratio to increase to 26.3% compared to 22.1% in the 2023/2024 financial year. If these two Copyright Tribunal matters were not on foot, PPCA's expense to revenue ratio would have been approximately 14.4%.

Once again, PPCA's revenue of approximately \$65.4M, fell into two key categories:

- Broadcast and online: \$24.4M (approx.)
- Public Performance: \$38.3M (approx.)

OneMusic Australia

OneMusic Australia (OMA) is the joint licensing initiative between PPCA and APRA AMCOS that launched on 1 July 2019. OMA provides blanket licences that cover rights for both sound recordings and musical works. It simplifies the music licensing process for businesses that publicly perform music, by providing a "one stop" location for all their public performance music licensing needs.

Over the past 12 months, PPCA's public performance revenues increased from \$35,929,310 in 2023/2024 to \$38,288,830 in 2024/2025.

PPCA continues to work closely with APRA AMCOS to respond to the evolving public performance music licensing needs of businesses throughout Australia.

Distributions

The PPCA Distribution for FY2024/2025 was made prior to the end of year break in December 2025. A very similar amount to the previous year, at around \$48.2M, was distributed to PPCA Licensors and registered artists, with approximately 19.70% directed to PPCA Licensors and Registered Artists based overseas.

Of the total distributable surplus just under 0.62% was directed towards charitable, educative and like grants which is within the Board's discretionary allowance of 1%.

PPCA's licensors cover a diverse range of industry participants, ranging from individual artists who control their master recordings to major multinational record labels, independent labels of all sizes and specialist rights management entities. Once again, PPCA's stakeholder numbers continued to grow during the 2024/2025 financial year. At the end of June 2025, PPCA had 4,615 licensors and 5,947 artists registered under PPCA's Artist Direct Distribution Scheme.

As advised previously, PPCA is in the final stages of migrating its distribution systems to a new platform, delivered by the UK equivalent of PPCA – the collecting society known as PPL. This new system will make it easier for PPCA Licensors and registered artists to track their payments, manage their accounts and register repertoire with PPCA. These efficiencies will yield benefits for PPCA and PPCA Licensors and registered artists alike.

Music Community Support

PPCA has continued its longstanding support of the Australian recording industry and the broader creative sector through its partnerships and initiatives with other organisations, including Sounds Australia, Support Act, the Australian Independent Record Labels Association (AIR), the Arts Law Centre of Australia, the Australian Copyright Council, the Australian Songwriters Association Awards, sponsoring an award at the 2025 CBAA Awards and the Association of Artist Managers (AAM). PPCA once again sponsored the Best Independent Release award at the ARIA Awards. PPCA also provided funding support to community events such as 4E Sydney and ROAR Fest.

Board Observership Program

During the 2025 calendar year, PPCA was proud to welcome Hannah Marsh (Sony Music Australia) and Vuli Mwanza (PPCA Licensor and Registered Artist) to participate in The Observership Program and to observe the PPCA Board. PPCA has worked with The Observership Program since 2022. The program helps to build capability by providing the participants with the opportunity to observe the decision-making and operations of the PPCA Board and to participate in a structured program offered by The Observership Program which teaches participants about board fundamentals, fiscal processes and governance. PPCA's collaboration with The Observership Program aligns with the Board's goal to help build capability across the music industry. PPCA's collaboration with The Observership Program will continue in 2026.

Advocacy

In the lead up to the 2025 Federal Election, PPCA supported the cross-industry Vote Music 2025 campaign, spotlighting music's role in creating jobs, growing exports, and strengthening communities across the country.

Throughout the year, PPCA continued its strong engagement with Government and peak bodies to advocate for policies that protect and support PPCA's licensors and registered artists. Key areas of focus this year have been on safeguarding recording artists and sound recording rights holders from the unauthorised use of their music by AI and tech companies and the continued efforts to remove the 'radio caps' from the Copyright Act.

PPCA strongly argued against the Productivity Commission's proposal to introduce a text and data mining (TDM) exception into the Copyright Act. The TDM exception would enable tech companies to reproduce and use music without consent or compensation paid to the artists and rights holders. PPCA's CEO Annabelle Herd, along with representatives from APRA AMCOS and AMPAL, and artists Briggs, Jack River, Paul Dempsey and Dan McNamee appeared before the Senate Environment and Communications References Committee inquiry into the National Cultural Policy which focused on AI. At this hearing, PPCA strongly presented its case and emphasised that fair, negotiated licensing models for AI training already exist – so there is no justification to provide tech companies with a free exception to use music at the expense of the creative industries.

In October 2025, the Attorney General confirmed that the Federal Government will not introduce a TDM exception – which was an announcement that was commended by the creative sectors. However, the issue of AI and the protection of creators' rights is an ongoing issue. As noted in the 2024 Management Report, Annabelle Herd was invited to join the Steering Committee of the Attorney General's Copyright and Artificial Intelligence Group (CAIRG) in 2024 and will continue to advocate for the interests of PPCA's licensors and recording artists through that forum in addition to the broader advocacy on the issue undertaken by the PPCA team.

PPCA continued its longstanding efforts to remove the 'radio caps' from the Copyright Act. These caps are prescribed in the Copyright Act, and impose an artificial cap on the amount that radio stations and the ABC pay for the broadcast of sound recordings across their radio stations. These caps are an artefact and were introduced nearly 60 years ago to allay the concerns of the commercial radio industry at the time – but have remained in the Copyright Act ever since. There is no such cap on the use of any other copyright material in Australia (including musical works). Throughout the year, PPCA continued its Radio Fair Play campaign to remove these caps. Annabelle Herd along with PPCA Board Director, Bill Cullen appeared at a panel at IndieCon this year about why the radio caps must go. PPCA also conducted proceedings in the Copyright Tribunal to seek an increase to the licence fees paid to PPCA from the commercial radio sector – with the hearing taking place in May/June 2025.

Beyond AI and the radio caps, PPCA contributed to the Government's copyright reform proposals – including the introduction of an orphan works scheme and changes to the educational licensing provisions within the Copyright Act. PPCA will continue to work with all sectors of Government and industries to ensure that creators' rights are protected and to continue to support and promote Australian music in a rapidly evolving and challenging landscape.

Communications

In 2024/2025, PPCA continued to raise its profile within the music industry and the broader community through a wide range of activities and initiatives. Some of these activities and initiatives included:

- PPCA continued to build its online presence by engaging with the PPCA community through its website and social media channels. Engagement on PPCA's social channels increased by 20% year on year.
- Publication of regular "PPCA On the Record" newsletters which are distributed to staff, PPCA Licensors and registered artists which provides news items on matters relevant to PPCA's stakeholders such as industry news, grant opportunities, information about PPCA's activities and reminders about registrations.
- Support of Australian artists through relationships with Support Act Limited, Sounds Australia and the Association of Artist Managers (AAM).
- Presence at IndieCon – members of the PPCA Distribution team were onsite at IndieCon to answer questions about PPCA from artists and labels and to provide on the spot assistance with signing up to PPCA and repertoire registrations
- Provision of information sessions to the broader industry (for example on AI) and copyright basics.

Code of Conduct

PPCA is a founding subscriber to the voluntary Code of Conduct for Copyright Collecting Societies ("the Code"), which was introduced in July 2002 following collaborative development by Australian collecting societies.

Compliance with the Code is independently reviewed each year by the Code Compliance Reviewer, and the Code itself undergoes a comprehensive review every three years. The most recent triennial review was completed in 2025. Both processes are conducted independently and include public consultation to ensure transparency and accountability.

The annual compliance review is undertaken by Hon Dr Kevin Lindgren AM QC, while the triennial review is conducted by Hon Alan Robertson SC. All reports, submissions, and related materials are publicly accessible via the dedicated website: www.copyrightcodeofconduct.org.au. These resources are also available on the PPCA website, with links provided in the footer of each page.

The 2025 Annual Compliance Report, covering the year ending June 2025, was published in November 2025. Dr Lindgren's findings confirmed a high level of compliance with the Code across participating societies.

The year ahead....

2025 marked a major transition for PPCA as we farewelled our inimitable Chief Operating Officer, Lynne Small, after nearly 30 years of service. During her decades at PPCA, Lynne played a pivotal role in every Copyright Tribunal proceedings, she was instrumental in the launch of OneMusic Australia and her leadership and work ethic has been central to PPCA's growth across all aspects. Lynne's impact on PPCA and the broader music industry is profound and PPCA wishes Lynne all the best in her retirement.

Next year will be another busy year for PPCA as we continue to support PPCA's licensors and registered artists.

PPCA anticipates receiving decisions in both the commercial radio and Free TV Copyright Tribunal matters, with new licensing schemes to follow the decisions once settled.

A major change will be the launch of the back office systems for repertoire and claims management and distribution processing which will occur in 2026. The new system and portal will streamline processes, enhance transparency and provide an improved experience for PPCA's licensors and artists.

Revenue growth will continue to be a strategic priority for PPCA along with our continued advocacy on behalf of PPCA's stakeholders. Whether it is advocating for the removal of the radio caps, protecting creators' rights in the age of AI or launching new initiatives and projects to help grow our industry – PPCA will remain focused on driving outcomes that protect and strengthen the value of recorded music and support our licensors and registered artists.

For ongoing updates on all things PPCA please visit our website, and connect with us via [Facebook](#), [X](#) ([Twitter](#)), [Instagram](#) and [LinkedIn](#).

SPECIAL PURPOSES FINANCE REPORT

For the financial year ended 30 June 2025

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DIRECTOR'S REPORT

The directors of Phonographic Performance Company of Australia Limited submit herewith the annual financial report of the company for the financial year ended 30 June 2025. In order to comply with the provisions of the Corporations Act 2001, the directors report is as follows:

Information about the directors and senior management

The names and particulars of the directors of the company during or since the end of the financial year are:

| Name | Particulars |
|--------------------------------|--|
| Elizabeth Ann Blakey | (Alternate for Danny Rosen); Business Affairs Director, Record Company |
| Jennifer Mary Cloher | Independent Artist |
| Duncan Collins | Chief Operating Officer, Record Company |
| David William De Barran Cullen | Director, Management Company |
| Vincent Donato | Director, Record Company |
| Dario Forato | (Alternate for Sean Warner) Chief Financial Officer, Record Company |
| Kristy Jane Gostelow | Managing Director, Record Company |
| Vanessa Picken | Chief Executive Officer, Record Company |
| Gordon James Pitt | (Alternate for Vanessa Picken) General Manager, Legal & Business Affairs, Record Company |
| Joshua Jon Pyke | Independent Artist |
| Danny Rosen | President, Record Company |
| Sean Warner | President, Record Company |

The above named directors held office during the whole of the financial year and since the end of the financial year, except for:

| | |
|----------------------|-----------------------|
| Kristy Jane Gostelow | Resigned 30 June 2025 |
| Vincent Donato | Appointed 1 July 2025 |

Company secretary

Ms Rohini Sivakumar, Solicitor, was appointed company secretary on 15 May 2025 & has held that position since the end of the financial year.

Ms Lynne Maree Small, Certified Practising Accountant, held the position of company secretary of the Company from 16 May 1997 until her resignation on 13 May 2025.

Principal activities

The principal activity of the company in the course of the financial year was acting for the copyright owners in the licensing throughout Australia of the broadcast, communication and public performance of sound recordings and music video clips.

During the financial year there was no significant change in the nature of those activities.

Review of operations

The company's distribution to its licensors in relation to the current year was \$48,253,237 (2024: \$48,376,344).

The company's results for the financial year ended 30 June 2025 was a profit of \$nil (2024: \$nil).

Significant changes in state of affairs

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

Matters subsequent to the end of the financial year

There has not been any matter or circumstance, that has arisen since the end of the financial year, that has significantly affected, or may significantly affect, the operations of the company, the results of those operations, or the state of affairs of the company in future financial years.

Future developments

Disclosure of information regarding likely developments in the operations of the company in future financial years and the expected results of those operations is likely to result in unreasonable prejudice to the company. Accordingly, this information has not been disclosed in this report.

Environmental regulations

The company's operations are not subject to any particular and significant environmental regulations under any State or Federal laws.

Dividend

The company is a not-for-profit company and is prohibited from paying a dividend by its constitution.

Indemnification of officers and auditors

During the financial year, the company paid a premium in respect of a contract insuring the directors of the company (as named above), the company secretary, Lynne Maree Small, and all executive officers of the company and of any related body corporate against a liability incurred as such a director, secretary or executive officer 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.

The company has not otherwise, during or since the financial year, except to the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the company or of any related body corporate against a liability incurred as such an officer or auditor.

Distribution

The annual surplus to be distributed in accordance with the Company's distribution policy is \$48,253,237.

Directors' Meetings

The following table sets out the number of directors' meetings held during the financial year and the number of meetings attended by each director (while they were a director). During the financial year, 5 board meetings were held.

| Board of Directors | Eligible to attend | Attended |
|--|--------------------|----------|
| Elizabeth Blakey (alternate for Danny Rosen) | 1 | 1 |
| Jennifer Mary Cloher | 5 | 5 |
| Duncan Collins | 5 | 4 |
| David William De Barran Cullen | 5 | 5 |
| Dario Forato (alternate) | - | - |
| Kristy Jane Gostelow | 5 | 1 |
| Vanessa Picken | 5 | 4 |
| Gordon James Pitt (alternate) | 1 | 1 |
| Joshua Jon Pyke | 5 | 4 |
| Danny Rosen | 5 | 4 |
| Sean Warner | 5 | 5 |

Proceedings on behalf of the Company

No person has applied to the Court under section 247 of the *Corporation 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.

No proceedings have been brought or intervened in on behalf of the company with leave of the Court under section 247 of the *Corporation Act 2001*.

Auditor's independence declaration

The auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 4 of the annual report.

This directors' report is signed in accordance with a resolution of directors made pursuant to section 298(2)(a) of the *Corporations Act 2001*.

On behalf of the Directors

Sean Warner

Director

22 October 2025

Sydney

AUDITOR'S INDEPENDENCE DECLARATION

I declare that to the best of my knowledge and belief, during the year ended 30 June 2025 there have been no contraventions of:

- i. The auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- ii. Any applicable code of professional conduct in relation to the audit.



Melissa Alexander

Partner

Pitcher Partners

Sydney

22 October 2025

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the financial year ended 30 June 2025

| | Note | 2025\$ | 2024\$ |
|--|------|--------------|--------------|
| Revenue | 5 | 62,970,827 | 59,632,160 |
| Interest revenue calculated using the effective interest rate method | | 2,719,182 | 2,728,486 |
| Subscription fees paid or payable to the International Federation of the Phonographic Industry | | (477,873) | (437,676) |
| Employee benefits expense | | (3,011,733) | (2,913,779) |
| Depreciation and amortisation expense | | (720,841) | (704,914) |
| Finance costs | | (19,946) | (48,350) |
| Distribution to licensors | | (48,253,237) | (48,376,344) |
| Legal expenses | | (7,839,691) | (5,010,840) |
| Public performance commissions | | (3,795,924) | (3,562,057) |
| Other expenses | | (1,570,764) | (1,306,686) |
| Profit before income tax expense | | - | - |
| Income tax expense | 6 | - | - |
| Profit after income tax expense | | - | - |
| Other comprehensive income | | - | - |
| Total comprehensive income for the year | | - | - |

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

STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

| | | Note | 2025\$ | 2024\$ |
|--------------------------------------|-------------------------------|------|------------|------------|
| Current assets | | | | |
| | Cash and cash equivalents | 7 | 1,675,937 | 1,167,250 |
| | Trade and other receivables | 8 | 5,939,263 | 4,063,846 |
| | Other financial assets | 9 | 57,759,634 | 62,645,750 |
| Total current assets | | | 65,374,834 | 67,876,846 |
| Non-current assets | | | | |
| | Property, plant and equipment | 10 | 93,605 | 239,567 |
| | Right-of-use assets | 11 | 1,111,732 | 485,823 |
| Total non-current assets | | | 1,205,337 | 725,390 |
| Total assets | | | 66,580,171 | 68,602,236 |
| Current liabilities | | | | |
| | Trade and other payables | 12 | 64,803,926 | 67,470,895 |
| | Lease liabilities | 13 | 555,362 | 511,842 |
| | Employee benefits | 14 | 599,553 | 566,577 |
| Total current liabilities | | | 65,958,841 | 68,549,314 |
| Non-current liabilities | | | | |
| | Right-of-use liabilities | 13 | 560,173 | - |
| | Employee benefits | 14 | 61,148 | 52,913 |
| Total non-current liabilities | | | 621,321 | 52,913 |
| Total liabilities | | | 66,580,162 | 68,602,227 |
| Net assets | | | 9 | 9 |
| Equity | Issued capital | 15 | 9 | 9 |
| Total equity | | | 9 | 9 |

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

STATEMENT OF CHANGES IN EQUITY

For the financial year ended 30 June 2025

| | Share capital \$ | Retained earnings \$ | Total \$ |
|---|------------------|----------------------|----------|
| Balance as at 1 July 2023 | 9 | - | 9 |
| Total comprehensive income for the year | - | - | - |
| Balance as at 30 June 2024 | 9 | - | 9 |
| Total comprehensive income for the year | - | - | - |
| Balance as at 30 June 2025 | 9 | - | 9 |

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

STATEMENT OF CASH FLOWS

For the financial year ended 30 June 2025

| | Note | 2025\$ | 2024\$ |
|---|------|--------------|--------------|
| Cash flows from operating activities | | | |
| Receipts from customers | | 67,450,500 | 65,279,922 |
| Payments to suppliers and employees | | (25,599,847) | (19,601,207) |
| Distributions to licensors | | (48,341,132) | (48,542,551) |
| Interest paid | | (19,946) | (48,350) |
| Net cash used in operating activities | | (6,510,425) | (2,912,186) |
| Cash flows from investing activities | | | |
| Interest received | | 2,719,182 | 2,728,486 |
| Net receipts from / (payments for) term deposits | | 4,886,116 | 950,000 |
| Receipts from sale of plant and equipment | | 10,909 | - |
| Payments for plant and equipment | | (40,720) | (29,882) |
| Net cash provided by investing activities | | 7,575,487 | 3,648,604 |
| Cash flows from financing activities | | | |
| Payment for the principal portion of lease liability | | (556,375) | (507,447) |
| Net cash used in financing activities | | (556,375) | (507,447) |
| Net increase in cash and cash equivalents | | 508,687 | 228,971 |
| Cash and cash equivalents at the beginning of the financial year | | 1,167,250 | 938,279 |
| Cash and cash equivalents at the end of the financial year | 7 | 1,675,937 | 1,167,250 |

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

1. General information

Phonographic Performance Company of Australia Limited (the company) is an unlisted public company limited by shares, incorporated and operating in Australia. The financial statements are presented in Australian dollars. The company is a not for profit entity.

The financial statements were authorised for issue by the directors on 22 October 2025.

2. Basis of preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Simplified Disclosures. This includes compliance with the recognition and measurement requirements of all Australian Accounting Standards, Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board and the disclosure requirements of *AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* and the *Corporations Act 2001*. These financial statements do not comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial report, except for the cash flow information, has been prepared on an accruals basis and is based on historical cost. Cost is based on the fair values of the consideration given in exchange for assets.

3. Critical accounting judgements and key sources of estimation uncertainty

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following judgements have been applied:

Allowance for expected credit losses

The allowance for expected credit losses assessment in relation to trade receivables 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 historical collection rates.

Net current asset deficiency

As at 30 June 2025 the company has a net current asset deficiency of \$584,007 (2024: \$672,468). Included in the company's current liabilities are aggregate amounts representing the licence fees received in advance of \$284,266 (2024: \$262,218) and amounts payable to licensors of \$47,929,543 (2024: \$48,017,438). While the amount payable to the licensors will be settled in December 2025, the licence fees received in advance will be used to support the operations of the company in the next financial year with only the surplus forming part of the amount which will be distributed to the licensors in relation to the financial year ending 30 June 2025.

Consequently, the net current asset deficiency position at the 30 June 2025 is due to the nature of the business and does not highlight an issue relating to the going concern assumption of the company.

Lease term

The lease term is a significant component in the measurement of both the lease asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the Company's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The Company reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

Incremental borrowing rate

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the Company estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the lease asset, with similar terms, security and economic environment.

4. Material accounting policy information

New, Revised or Amended Accounting Standards and Interpretations Adopted

The Company has adopted all of the new, revised or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period.

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

The following significant accounting policies have been adopted in the preparation and presentation of the financial report:

a) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except:

- i. where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
- ii. for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are included in the statement cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

b) Revenue

Revenue is measured at the fair value of the consideration received or receivable.

Revenue is brought to account over the terms of the licences issued on the following basis:

- Public performance licence fees are normally issued for a period of one year, although shorter periods are accommodated. In all cases licence fees are payable in advance. Income is brought to account on a monthly basis over the life of the contract.
- Broadcast licences are issued for various terms - revenue is brought to account on a monthly basis over the life of the contract.
- Revenue from the disposal of other assets is recognised when the entity has passed control of the other assets to the buyer.

Interest Revenue

Interest revenue is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

c) Income tax

The company prepares its income tax returns on the basis that it acts as agent for the copyright holders that it represents. As such, it does not derive income on its own account. Rather, it is entitled under its constituent document to be reimbursed for expenditure incurred in the course of its activities. The basis of assessment has been agreed with the Australian Taxation Office.

The net effect of temporary and permanent differences arising from expenditure incurred by the company is passed on to the recipients of the royalties collected.

d) Cash and cash equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and have a maturity of three months or less at the date of acquisition. Deposits with a maturity of greater than three months from the date of acquisition are classified as other financial assets.

e) Other Financial assets

Recognition / derecognition

The Company recognises financial assets and financial liabilities on the date it becomes party to the contractual agreement (trade date).

Investments are derecognised when the right to receive cash flows from the investments have expired or the Company has transferred substantially all risks and rewards of ownership.

Classification of financial assets

Financial assets recognised by the company are subsequently measured in their entirety at either amortised cost or fair value, subject to their classification and whether the company irrevocably designates the financial asset on initial recognition at fair value through other comprehensive income (FVtOCI) in accordance with the relevant criteria in AASB 9. Financial assets not irrevocably designated on initial recognition at FVtOCI are classified as subsequently measured at amortised cost, FVtOCI or fair value through profit or loss (FVtPL) on the basis of both:

- a.** the company's business model for managing the financial assets; and
- b.** the contractual cash flow characteristics of the financial asset.

Financial assets at amortised cost

Term deposits are classified (and measured) at amortised cost on the basis that:

- a.** they are held within a business model whose objective is achieved by the company holding the financial asset to collect contractual cash flows; and
- b.** the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Impairment of financial assets

The company recognises a loss allowance for expected credit losses on financial assets which are measured at amortised cost. The measurement of the loss allowance depends upon the company'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.

f) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment. Cost includes expenditure that is directly attributable to the acquisition or construction of the item. In the event that settlement of all or part of the purchase consideration is deferred, cost is determined by discounting the amounts payable in the future to their present value as at the date of acquisition.

Depreciation is provided on property, plant and equipment.

Depreciation is calculated on a straight-line basis so as to write off the net cost or other revalued amount of each asset over its expected useful life to its estimated residual value.

Leasehold improvements are depreciated over the period of the lease or estimated useful life, whichever is the shorter, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, with the effect of any changes recognised on a prospective basis. The gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

The following useful lives are used in the calculation of depreciation:

- | | |
|--------------------------|---------------|
| • Office furniture | 5 to 10 years |
| • Office equipment | 3 to 7 years |
| • Motor vehicles | 5 years |
| • Computer equipment | 3 to 7 years |
| • Leasehold improvements | 7 years |
| • Software | 3 to 10 years |

g) Intangibles

IT development and software

Costs incurred in developing products or systems and costs in acquiring software and licenses that will contribute to future period financial benefits through revenue generation and/or cost reduction are capitalised to software. Costs capitalised included external direct costs of materials and service and direct payroll and payroll rated costs of employees' time spent on the project. Amortisation is calculated on a straight-line basis from the date the asset is brought into use over periods generally ranging from three to ten years.

IT development costs include only those costs directly attributable to the development phase and are only recognised following completion of technical feasibility and where the Company has an intention and ability to use the asset.

IT development and software are included in property, plant and equipment.

h) Lease assets & liabilities

Lease assets

A lease asset is recognised at the commencement date of a lease. The lease 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.

Lease 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 Company 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.

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 Company'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.

i) Employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave when it is probable that settlement will be required and they are capable of being measured reliably.

Liabilities recognised in respect of employee benefits expected to be settled within 12 months, are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Liabilities recognised in respect of employee benefits which are not expected to be settled within 12 months are measured as the present value of the estimated future cash outflows to be made by the company in respect of services provided by employees up to reporting date.

Defined contribution plans

Contributions to defined contribution superannuation plans are expensed when employees have rendered service entitling them to the contributions.

j) Provisions

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that the company 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 reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

| 5. Revenue and other revenue | | 2025\$ | 2024\$ |
|---------------------------------------|---|---------------|---------------|
| Revenue from contracts with customers | Licence fees | 62,700,280 | 59,379,608 |
| Other revenue | Rent received | 254,848 | 244,692 |
| | Profit on the sale of plant & equipment | 10,909 | - |
| | Sundry revenue | 4,790 | 7,860 |
| | | 270,547 | 252,552 |
| Total Revenue | | 62,970,827 | 59,632,160 |

6. Expenses

Profit before income tax includes the following specific expenses:

| | 2025\$ | 2024\$ |
|---|---------------|---------------|
| Superannuation expense - defined contribution plans | 340,238 | 324,608 |
| Provision for doubtful debts | - | - |
| Interest & finance charges | 19,946 | 48,350 |

| 7. Cash and cash equivalents | 2025\$ | 2024\$ |
|-------------------------------------|---------------|---------------|
| Cash at bank & on hand | 1,675,937 | 1,167,250 |

| 8. Trade and other receivables | 2025\$ | 2024\$ |
|---------------------------------------|---------------|---------------|
| Trade receivables | 1,026,335 | 961,373 |
| Allowance for expected credit losses | (8,719) | (93,471) |
| | 1,017,616 | 867,902 |

| | | |
|---------------------------|-----------|-----------|
| Prepaid expenses | 155,741 | 95,782 |
| Other licence receivables | 3,868,958 | 2,312,416 |
| Other receivables | 896,948 | 787,746 |
| | 5,939,263 | 4,063,846 |

| 9. Other financial assets | 2025\$ | 2024\$ |
|------------------------------------|---------------|-----------------------|
| Financial assets at amortised cost | Term deposits | 57,759,634 62,645,750 |

10. Property, plant and equipment

| | Office furniture and equipment at cost \$ | Motor vehicles at cost \$ | Software \$ | Computer equipment at cost \$ | Leasehold improvements at cost \$ | Total \$ |
|---------------------------------|---|---------------------------|-------------|-------------------------------|-----------------------------------|-------------|
| Cost | | | | | | |
| Balance at 1 July 2023 | 300,680 | 33,409 | 3,709,390 | 364,678 | 611,702 | 5,019,859 |
| Additions | - | - | 17,610 | 12,272 | - | 29,882 |
| Disposals | (30,899) | - | - | (223,622) | - | (254,521) |
| Balance at 30 June 2024 | 269,781 | 33,409 | 3,727,000 | 153,328 | 611,702 | 4,795,220 |
| Additions | - | - | 6,690 | 26,133 | 7,897 | 40,720 |
| Disposals | (6,576) | (33,409) | (92,135) | (19,187) | - | (151,307) |
| Balance at 30 June 2025 | 263,205 | - | 3,641,555 | 160,274 | 619,599 | 4,684,633 |
| Accumulated Depreciation | | | | | | |
| Balance at 1 July 2023 | (298,731) | (33,409) | (3,331,873) | (359,535) | (611,702) | (4,635,250) |
| Depreciation expense | (594) | - | (167,623) | (6,707) | - | (174,924) |
| Disposals | 30,899 | - | - | 223,622 | - | 254,521 |
| Balance at 30 June 2024 | (268,426) | (33,409) | (3,499,496) | (142,620) | (611,702) | (4,555,653) |

10. Property, plant and equipment (continued)

| | | | | | | |
|--------------------------------|------------------|----------|--------------------|------------------|------------------|--------------------|
| Depreciation expense | (432) | - | (176,058) | (9,292) | (900) | (186,682) |
| Disposals | 6,576 | 33,409 | 92,135 | 19,187 | - | 151,307 |
| Balance at 30 June 2025 | (262,282) | - | (3,583,419) | (132,725) | (612,602) | (4,591,028) |
| Net book value | | | | | | |
| As at 30 June 2024 | 1,355 | - | 227,504 | 10,708 | - | 239,567 |
| As at 30 June 2025 | 923 | - | 58,136 | 27,549 | 6,997 | 93,605 |

11. Right-of-use assets

The company has one lease over its office premises that is due to expire in May 2025.

| | 2025\$ | 2024\$ |
|---------------------------------------|-----------|-----------|
| Buildings | 1,160,068 | 1,059,979 |
| Provision for depreciation | (48,336) | (574,156) |
| | 1,111,732 | 485,823 |
| Depreciation charged to profit & loss | 534,159 | 529,990 |

12. Trade and other payables

| | 2025\$ | 2024\$ |
|----------------------------------|------------|------------|
| Trade and other payables | 16,590,117 | 18,913,147 |
| Goods and services tax payable | - | 278,092 |
| Licence fees received in advance | 284,266 | 262,218 |
| Amounts payable to licensors | 47,929,543 | 48,017,438 |
| | 64,803,926 | 67,470,895 |

| 13. Lease liabilities | 2025\$ | 2024\$ |
|------------------------------|---------------|---------------|
| Current | 555,362 | 511,842 |
| Non-current | 560,173 | - |

| | | |
|------------------------------|-----------|---------|
| <i>Future lease payments</i> | | |
| Within one year | 608,278 | 525,779 |
| One to five years | 575,426 | - |
| | 1,183,704 | 525,779 |

| 14. Employee benefits | 2025\$ | 2024\$ |
|------------------------------|-------------------|---------------|
| Current | Employee benefits | 599,553 |
| Non-current | Employee benefits | 61,148 |

| 15. Issued capital | 2025\$ | 2024\$ |
|--|---------------|---------------|
| 9 fully paid ordinary shares (2024: 9) | 9 | 9 |

| | | 2025 | | 2024 | |
|-----------------------------------|--|-------------|-----------|-------------|-----------|
| | | No. | \$ | No. | \$ |
| Fully paid ordinary shares | Balance at the beginning of the financial year | 9 | 9 | 9 | 9 |
| | Balance at the end of the financial year | 9 | 9 | 9 | 9 |

Fully paid ordinary shares carry one vote per share.
In accordance with the constitution of the company, no dividends are to be distributed to shareholders.

16. Key management personnel compensation

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

| | 2025\$ | 2024\$ |
|------------------------------|-----------|-----------|
| Short-term employee benefits | 1,251,953 | 1,154,247 |
| Post-employment benefits | 108,166 | 95,419 |
| | 1,360,119 | 1,249,666 |

17. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by Pitcher Partners, the auditor of the company:

| | 2025\$ | 2024\$ |
|-----------------------------------|--------|--------|
| Audit of the financial statements | 44,100 | 43,000 |
| Preparation of the tax return | 5,800 | 5,650 |
| | 49,900 | 48,650 |

18. Capital commitments

The company has no capital commitments at reporting date (2024: nil).

19. Related party transactions

a) Key management personnel compensation

Details of key management personnel compensation are disclosed in note 16 to the financial statements.

b) Transactions with other related parties

Other related entities include entities with common control. Related entities include Australian Recording Industry Association Limited, Music Rights Australia Pty Limited and PPCA Performers' Trust Foundation.

Aggregate amounts receivable from other related parties are disclosed in note 8 to the financial statements. Amounts receivable from related parties are unsecured, non-interest bearing and are repayable at call.

Rental income of \$254,848 (2024: \$244,692) was charged to Australian Recording Industry Association Limited and Music Rights Australia Pty Limited. The rental cost is deemed to be under normal terms and conditions.

Clerical services expense of \$977,161 (2024: \$1,030,195) was charged to Australian Recording Industry Association Limited and Music Rights Australia Pty Limited.

20. Subsequent events

No matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

21. Non-Cash Financing and Investing Activities

| | 2025\$ | 2024\$ |
|--------------------------------------|-----------|--------|
| Additions to the right of use assets | 1,160,068 | - |

CONSOLIDATED ENTITY DISCLOSURE STATEMENT

As at 30 June 2025

Phonographic Performance Company of Australia Limited is not required by Australian Accounting Standards to prepare consolidated financial statements.

Accordingly, in accordance with subsection 295(3A) of the *Corporations Act 2001*, no further information is required to be disclosed in this consolidated entity disclosure statement.

DIRECTOR'S DECLARATION

The directors of the company declare that:

1. The financial statements comprising the statement of profit or loss and other comprehensive income, statement of financial position, statement of cash flows, statement of changes in equity and accompanying notes, are in accordance with the Corporations Act 2001, and
 - a. comply with Australian Accounting Standards – Simplified Disclosures and the Corporations Regulations 2001; and
 - b. give a true and fair view of the company's financial position as at 30 June 2025 and of its performance for the year ended on that date.
2. In the directors' opinion, the consolidated entity disclosure statement required by subsection 295(3A) of the Corporations Act 2001 is true and correct.
3. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the directors by:

Sean Warner

Director

22 October 2025

Sydney

INDEPENDENT AUDITOR'S REPORT

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Phonographic Performance Company of Australia Limited ("the Company"), which comprises the statement of financial position as at 30 June 2025, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

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

- a.** Giving a true and fair view of the Company's financial position as at 30 June 2025 and of its financial performance for the year then ended; and
- b.** Complying with Australian Accounting Standards – Simplified Disclosures and the *Corporation 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 Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants Including Independence Standards* ("the Code") that are relevant to our audit of the 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.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Company's directors report for the year ended 30 June 2025 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 accordingly 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 management and those charged with governance for the financial report

The directors of the Company are responsible for the preparation of:

- a.** The financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001; and
- b.** The consolidated entity disclosure statement that is true and correct in accordance with the Corporations Act 2001; and

for such internal control as the directors determine is necessary to enable the preparation of:

- i.** The financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- ii.** The consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial report

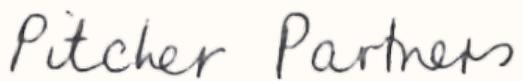
Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an 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 Company's internal control.
- 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 Company'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 Company 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.

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.



Melissa Alexander

Partner

Pitcher Partners

Sydney

22 October 2025



PHONOGRAPHIC PERFORMANCE

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