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www.amaysim.com.au
ABN: 65 143 613 478

ASX ANNOUNCEMENT

28 August 2017

The Manager

Market Announcements Office
Australian Securities Exchange
4th Floor, 20 Bridge Street
Sydney NSW 2000

Dear Sir/Madam

amaysim Australia Limited (ASX Code: AYS) – Financial results for the full year ended 30 June 2017

In accordance with the Listing Rules, I enclose the following for immediate release to the market:

1. Appendix 4E

2. Annual Report

The results will be presented on a teleconference commencing at 10:00am on Monday 28 August 2017.

A live (passive) URL link to the teleconference and investor and analyst result presentation will be made available via the webcast link at: http://www.openbriefing.com/OB/2529.aspx and also via the amaysim investor centre.

Yours faithfully,

Alexander Feldman
amaysim | General Counsel & Company Secretary

amaysim

amaysim Australia Limited
and its controlled entities
(ABN: 65 143 613 478)

Appendix 4E (rule 4.3A)

Preliminary final report for the financial year ended 30 June 2017.
This Appendix 4E should be read in conjunction with the consolidated financial statements and accompanying notes to the accounts.

RESULTS FOR ANNOUCMENT TO THE MARKET

(All comparisons to financial year ended 30 June 2016)	**$'000**	**Up/(down)**	**Movement %**
Revenue from ordinary activities	326,835	72,810	28.7%
Revenue from ordinary activities excluding interest income	326,680	73,143	28.8%
Earnings before interest, tax, depreciation and amortisation	33,842	8,766	35.0%
Underlying earnings before interest, tax, depreciation and amortisation *	43,542	8,099	22.9%
Net profit after tax from ordinary activites	11,512	-794	-6.5%
Net profit attributable to members	11,512	-794	-6.5%
Underlying profit after tax *	21,185	1,259	6.3%

COMMENTS

*Underlying figures have been calculated from statutory data after excluding the impact of IPO expenses, non-core income and expenses, any acquisition related expenses including consequential changes in the value of tax assets, integration and transaction costs with a related tax adjustment where applicable.

DIVIDEND INFORMATION	**Amount per share (cents)**	**Franking Status**
Interim 2017 dividend per share	4.0	Unfranked
Final 2017 dividend per share	5.1	Fully Franked
Total	9.1	

Final dividend dates	
Ex-dividend date	18 September 2017
Record date	19 September 2017
Payment date	25 October 2017

NET TANGIBLE ASSETS	**30-Jun-17**	**30-Jun-16**
Net tangible assets per security	($0.64)	($0.25)

Additional Appendix 4E disclosure requirements can be found in the financial statements and accompanying notes.

This Appendix 4E report is based on accounts that have been audited by PricewaterhouseCoopers.

annual report 2017

amaysim Australia Ltd

amaysim

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About amaysim

We're a customer-centric technology company bringing amazingly simple products and services into Aussie homes.

The amaysim Group is a multi-vertical business built on innovative technology and exceptional user experience. The Company operates an asset light, technology-led business model with our customer value proposition centred around great value, no lock-in contracts and transparent pricing across mobile, devices, broadband and energy.

Since launching and pioneering the BYO handset mobile services model in 2010, we have successfully grown our mobile subscriber base to approximately 1.07 million and we are Australia's fourth largest mobile services provider.

Powered by the Optus 4G Plus network, the amaysim brand is synonymous with exceptional customer experience and we have consistently won awards in customer satisfaction and innovation. We pride ourselves on our amazingly simple, mobile-first customer experience platform and range of easy-to-understand mobile plans. Our customers can optimise and manage their accounts whenever and wherever they choose, leading to low churn and strong word-of-mouth customer acquisitions. Our strategy is to leverage our key assets, being our technology and significant customer base, and grow share of the household wallet through new products and services. This has required us to evolve from a mobile services provider to a business that offers mobile, devices, broadband and energy.

In August 2016, we acquired Australian Broadband Services Pty Ltd (AusBBS) which allowed us to accelerate our broadband strategy and participate in the forced migration event created by the nbn™. In May 2017, we leveraged AusBBS' systems and know-how to launch amaysim branded nbn plans featuring unlimited data, no lock-in contracts, no activation fees and no costs to switch between plans.

In conjunction with the launch of amaysim branded nbn, we extended our services into energy by completing the highly strategic acquisition of Click Energy Group Holdings Pty Ltd (Click), an online Australian energy retailer offering electricity and gas. Click's strategy and business model is strongly aligned with ours and will allow us to significantly enhance our scale and operating leverage. The amaysim Group has over 800,000 households creating significant cross-sell potential.[1]

Our sensational team and operating rhythm facilitated strategic evolution throughout the year without compromising the core business. This has led to a great set of results.

The execution of our strategy is well progressed and our team is working hard at bringing these products together under the amaysim brand. This is an important part of the future cross-sell potential which we will unlock.

Going forward, we will continue to enhance our technology platforms and apply amaysim's trademark customer-centric approach to enable us to enter other strategic areas of the Australian household.

[1] As at 30 June 2017

Our products

mobile

broadband

energy

devices

Awards

2017 Canstar Blue award for Most Satisfied Customers - Mobile SIM Only; the fifth such award since 2013[2]

2017 Comms Day Edison Awards Winner — Best virtual network operator

2017 Money Magazine 'Best of the Best' award for Best-Value Prepaid Low Usage Mobile Plan for amaysim As You Go plan; the third such award since 2012 and 2013[3]

2017 Money Magazine 'Best of the Best' award for Best-Value Average Usage Mobile Plan for Vaya's Unlimited M plan; the third such award since 2014 and 2015

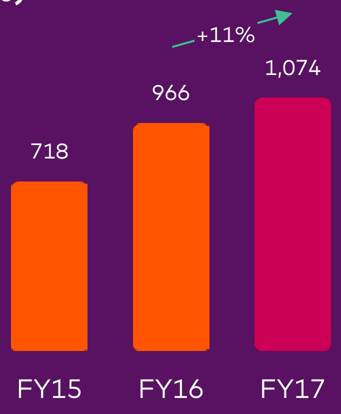
2016 Finder Awards — Best Telco Customer Innovation

[2] Canstar Blue Most Satisfied Customers – Prepaid Mobile Services award in 2013 & 2014; Canstar Blue Most Satisfied Customers – Mobile Phone Plan Providers in 2014; Canstar Blue Most Satisfied Customers – Mobile SIM Only Postpaid in 2016 & 2017

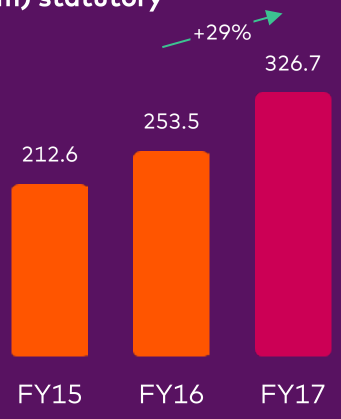
[3] Money magazine – winner of 'Best of the Best' award for Cheapest postpaid mobile plan - low usage for amaysim AS YOU GO 2012; Money magazine – winner of 'Best of the Best' award for Best mobile plan - low usage for amaysim AS YOU GO 2013; Money magazine – winner of 'Best of the Best' award for Best-Value Prepaid Low Usage Mobile Plan for amaysim AS YOU GO 2017

FY2017 Group Financial Highlights

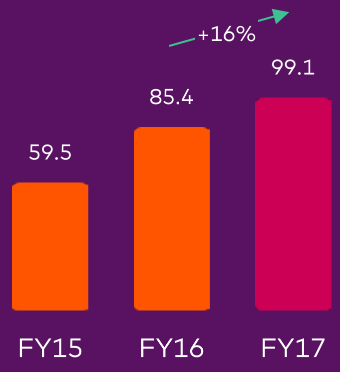
Closing mobile subscribers ('000)



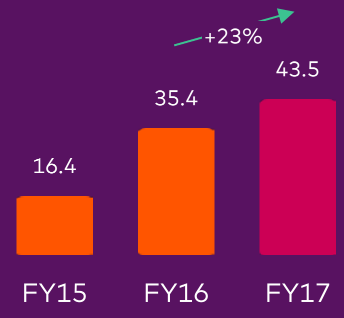
Net revenue ($m) statutory



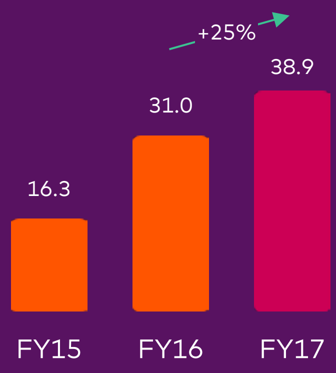
Gross profit ($m) statutory



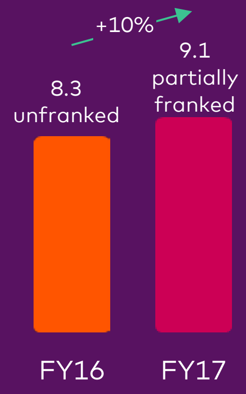
EBITDA ($) underlying



Operating cash flow after capex ($m) underlying



Total dividend per share (cents per share)



Note: All figures reported are for the amaysim Group, which includes the mobile (including devices), broadband and energy businesses. FY16 includes 6-months contribution from Vaya (acquired 1 January 2016) and FY17 includes ~10-months contribution from AusBBS (acquired 23 August 2016), ~2-months contribution from amaysim nbn (launched 5 May 2017) and 2-months contribution from Click (acquired 1 May 2017)

Chairman Letter

The amaysim Group is a more diversified and resilient business than when it listed on the ASX and the Board is committed to overseeing sustainable growth for the benefit of our shareholders.

Dear Shareholder

Welcome to the amaysim annual report for the full year ending 30 June 2017.

I am pleased to be able to share with you another strong performance by the Company with solid profitable growth and cash generation driven by continued growth in mobile, disciplined cost and operational management and strategic acquisitions. In line with the result, the Board has approved a fully franked final dividend of 5.1 cents per share, bringing the total dividend to 9.1 cents per share reflecting a payout ratio of 72% of underlying net profit after taxation but before amortisation.

The amaysim Group has achieved significant growth in its first seven years as a mobile service provider.

Launching as a bold challenger brand with an online-led business model and unwavering focus on customer experience, the amaysim Group was an instigator of the disruption that led to mobile services in Australia becoming a dynamic market. While the business has changed during that time – its focus on the customer has not. The Company has delivered on its core promise to customers by providing products and services centred around value, the bring-your-own device concept, no lock-in contracts, transparent pricing, and outstanding customer service. This proposition has enabled it to achieve profitable subscriber growth driven by an industry high level of customer satisfaction and low customer churn.

With its strong financial success in mobile, a growing and satisfied customer base and scalable technology platform, in the past 12 months, the amaysim Group has leveraged these core strengths and extended its relevance to Australian households by adopting a multi-product approach with a focus on mobile, devices, nbn broadband and energy.

The broadband market is a natural extension of the existing business with an overwhelming 56% of our customers responding in a recent survey that they wanted amaysim to provide nbn broadband. [4] The acquisition earlier this year of AusBBS presented a unique opportunity for the Company, which through the forced migration of around eight million Australian homes to the nbn by 2020, will have the potential to connect up to 800,000 of the amaysim Group's households.

Then in May 2017, we successfully completed the acquisition of Click, an online-pure-play energy retailer in Australia, progressing its goal of increasing relevance to the Australian household.

In an unparalleled period of technological change, digital transformation is significantly reshaping just about every global industry; from transportation,

hospitality to retail and cloud computing. We see a significant opportunity for a virtual energy retailer to disrupt the Australian energy market. The recent ACCC inquiry into the supply of retail electricity and the competitiveness of retail electricity prices, only sets to raise public awareness of energy costs and presents an opening for the Company to capitalise on consumers seeking better service, pricing and more transparency.

Looking ahead, the amaysim Group is a more diversified and resilient business than when it listed on the Australian Securities Exchange in July 2015. The Board views that the amaysim Group has the scope for significant growth through cross-selling of mobile, energy, nbn broadband and devices across its customer base. At a point when the amaysim brand's word-of-mouth referral is at 93% in May 2017[5], the outlook for cross-selling of products and services is exciting.

We will grow share of the household wallet by adopting a marketing strategy that

[4] The Clever Stuff, February 2017
[5] NPS tracking survey of 2679 customers, May 2017

reinforces our shared brand values of providing an amazingly simple customer experience and will leverage the strength of our brands when cross-selling products to create further earning streams and cash flow. Through this process, the Board is committed to overseeing sustainable growth for the benefit of our shareholders.

As I have learnt over more than 35 years in business, the success of acquisitions is often down to cultural fit and a disciplined approach to execution, and it is gratifying to report that the integration of Vaya, and now AusBBS have proved successful. The early signs of the combination with Click are very promising, with strong alignment to the Company's vision and strategy, business model and culture.

I would like to take this opportunity to thank Julian Ogrin, his management team and all the staff across the amaysim Group for their hard work and commitment to the business during this particularly busy period, even by amaysim standards. Thank you also to my fellow board members, whose depth of experience, particularly around running successful businesses, M&A and risk management, has been invaluable over the past year.

On behalf of the Board, thank you to all our shareholders for their continued support and interest in the company. I look forward to meeting with many of you over the course of the coming year.

Andrew Reitzer
Chairman

Chief Executive Officer Letter

At our core, we aim to deliver an award-winning customer experience underpinned by technology.

Dear Shareholder

It is very pleasing to report to you that our second year on the ASX has seen the Company deliver a strong financial performance while evolving into a multi-product business.

We achieved record results and returns to shareholders:

- Statutory net revenue grew by 29% per cent to $326.7 million;
- EBITDA increased by 35% per cent to $33.8 million;
- Underlying EBITDA increased by 23% per cent to $43.5 million;
- Statutory gross profit increased by 16% to $99.1 million; and
- Final dividend (fully franked) of 5.1 cents per share taking the total dividend (partially franked) for 2017 to 9.1 cents per share which increased 10% on the 2016 total dividend

The amaysim Group's strong performance was underpinned by profitable growth in mobile subscribers, growth in broadband, disciplined cost management with underlying mobile operating expenses down 8 per cent, and a strong two-month contribution from Click.

Since listing on the ASX just two short years ago, we have grown the amaysim Group to over 1.2 million subscribers across mobile, broadband and energy as at 30 June 2017.

Our two greatest assets are our strong subscriber base and scalable technology platforms. This creates an excellent opportunity to diversify our business into new product areas to capture a greater share of the household wallet.

To date, the successful execution of this strategy has resulted in the addition of amaysim branded nbn plans, mobile and tablet devices under the Vaya brand and energy through the acquisition of Click. We are rapidly working on bringing devices and energy under our core, amaysim brand, and look forward to launching these in due course.

We have a proven track record of integrating acquisitions, having successfully integrated Vaya and AusBBS. We are applying our experience to the integration of Click into our business, which is on track. Our integration involves areas that drive key synergies like customer service and requirements to launch amaysim branded energy products. Importantly, this approach has allowed Click and its experienced team to continue to operate and grow without losing focus.

We see tremendous future potential for profitable growth through maximising cross-sell opportunities to our already significant subscriber base.

Alongside our diversification efforts, we have continued to improve and leverage our technology platforms to create an even richer customer experience, and support organic and profitable subscriber growth. Our innovations included an industry-leading single sign-on experience across amaysim branded nbn and mobile.

We've constantly listened to our customers to not only provide great value plans but also a brilliant customer experience across all touch points. Our customer-centric approach has been recognised with amaysim winning, for the fifth consecutive year, the 2017 Canstar Blue award for Most Satisfied Customers – Mobile SIM Only.[6]

Mobile

The telecommunications sector is continuing to experience a structural shift in consumer preferences. Consumers are demanding the freedom obtained by de-coupling their phone from their mobile

[6] Canstar Blue Most Satisfied Customers - Prepaid Mobile Services award in 2013 & 2014; Canstar Blue Most Satisfied Customers - Mobile Phone Plan Providers in 2014; Canstar Blue Most Satisfied Customers – Mobile SIM Only Postpaid in 2016 & 2017

plans and the desire to easily switch plans as their needs change. This is a structural trend which continues to provide a tail-wind for the Company.

The amaysim brand's simple, bring-your-own device, no-lock in contract and online led approach positions our business to leverage this shift in consumer expectations and demand. To give context to what we are seeing in the market, in the last two years the BYO device segment of the market has grown to 53% of the market (up from 47% in 2012).[7]

Our market leading position in this segment has created a strong competitive edge and enabled the Company in the 2017 financial year to deliver strong organic growth in subscribers of 11% and a low churn rate of 2.0%.

Importantly, our strong and mutually beneficial relationship with Optus and long-term NSA continues to provide support for our mobile business.

I am particularly proud that the amaysim brand continues to excel in terms of customer satisfaction. This is evidenced not only by our low churn rate but also by the low level of complaints where we recorded approximately 1.0 complaint per 10,000 customers.[8] Most pleasingly, 93% of our customers say they would recommend the brand to their family and friends.[9]

Our key priorities for our mobile business in the coming financial year are to continue growing our subscriber base by providing new, competitive and profitable devices and plans, to continue to deliver excellent customer service, and to leverage cross-selling opportunities. We are positioned well in a competitive market environment.

Broadband

The Company's acquisition of AusBBS in August 2016 enabled us to accelerate our broadband strategy by bringing to the business a proven proprietary technology platform, purpose built for nbn. We have successfully integrated both the AusBBS team and technology into our business, demonstrating our expertise and disciplined approach to acquisitions and the advantage of the Company's adaptable technology stack.

Earlier in the year, we celebrated a soft-launch of amaysim's nbn product and have been pleased to see it rolling out according to plan, with a focus on marketing to our existing customer base.

Outside of price, we are differentiating our nbn experience by offering a market leading technology platform. We are particularly proud of our activation efficiency which is the fastest in the market, enabling existing amaysim mobile customers to order direct from their computer or phone in just two touches of a button.

Energy

In addition to our move into nbn, we achieved a significant milestone in the evolution of our Company by adding energy to our portfolio of products with the acquisition of Click. Energy complements our existing suite of mobile and broadband products and provides great potential for future growth in terms of both subscribers and profit.

Our 2017 full year accounts include two-months of positive contribution from Click. Since the acquisition, Click has experienced strong growth in subscribers, solid uptake of dual-fuel households in Victoria and New South Wales.

We are confident that our shareholders will be pleased to note that Click continues to have a conservative approach to hedging its wholesale exposure. In the 2018 financial year, Click is not exposed to fluctuating electricity demand or prices and has minimised its exposure to gas wholesale risk with a hedge that has been closely aligned to Clicks customer demand.

Importantly, Click's business model, culture and customer value proposition is strongly aligned with the amaysim Group and has remained unchanged after the acquisition. The acquisition is integration light, with the Click management team continuing to operate in Melbourne and only the necessary parts of its technology platforms being integrated into the amaysim Group's adaptable platform. We remain committed to delivering approximately $5 million in cost synergies in the 2018 financial year, which is in-line with communication to the market at the time of the acquisition.

The acquisition is expected to be over 20% EPS accretive for shareholders in the 2018 financial year on an underlying NPATA basis [10] post-cost synergies and before transaction and integration costs.

As part of our strategy to achieve our vision of increased relevance to the Australian household, it is our intention to launch an amaysim branded energy product suite in the first half of the 2018 financial year.

Strategy and outlook

With a strong suite of products, unique technology platforms and significant subscriber base, we are well-positioned for

[7] Telsyte Australian Digital Consumer Study 2017; nearly 90% of 19.7 million Australians aged 16 years and over
[8] amaysim received 1.0 complaint per 10,000 customers which was one of the lowest levels of industry complaints when compared with other carriers, including Telstra, Optus, Vodafone, Pivotel and Other participants, Telecommunications Complaints in Context, April – June 2017. Applies only to amaysim brand
[9] NPS tracking survey of 2679 customers, May 2017
[10] EPS accretion is based on underlying NPATA. Payments in relation to the transaction and integration costs have been excluded although debt funded costs increase the interest expense. Acquisition accounting adjustments have not been undertaken and EPS accretion does not include the impact of these adjustments

continued growth in the 2018 financial year.

I would like to thank our talented staff from across the amaysim Group, who have worked tirelessly to deliver extraordinary momentum in our business through a period of evolution. I am confident we have the right team, culture, desire and plan to achieve the growth objectives we have set ourselves in the 2018 financial year and beyond.

I look forward to updating you on our progress throughout 2018.

Julian Ogrin
Chief Executive Officer

Operational Overview

Highlights

- strong mobile subscriber growth through competitive plans and great customer experience
- successful launch of amaysim nbn and the Vaya online device shop
- acquired AusBBS and Click as part of strategy to diversify into new products and services
- achieved operational efficiencies through customer service, increased focus on DIY experience and disciplined approach to cost-per-acquisition investment

Strong mobile subscriber growth driven by competitive plans and great customer experience

The amaysim Group continues to capitalise on the growth in the Australian BYO handset mobile services market driven by an increase in the number of devices on no-contract mobile plans. According to Telsyte, nearly 90% of Australians aged 16 and over own a smart device [11] and 53% of these handsets are on no-contract plans (up from 47% in 2012).[12]

Despite increased competition and the gradual shutdown of the Optus 2G network, the amaysim Group's mobile subscriber base grew by 11% to close at 1.074 million as at 30 June 2017. The amaysim Group now accounts for almost a third of the MVNO market and 3% of the total mobile services market, reinforcing it as a major participant in the mobile services industry.[12]

Using the amaysim and Vaya brands, the strong growth in subscribers was driven by competitive offerings, targeted online performance marketing and a continued focus on customer satisfaction and experience. The amaysim Group's highly competitive plans and customer-first approach have been recognised with both amaysim and Vaya winning Gold awards in Money Magazine's annual 2017 Best of the Best Awards[13] and amaysim winning the 2017 Canstar Blue award for Most Satisfied Customers – Mobile SIM Only; the fifth such award since 2013.[14]

The amaysim Group's commitment to offering great customer service and experience also continues to receive recognition. In March 2017, amaysim was named Australia's best Virtual Network Operator at the inaugural Edison Awards. amaysim also recorded one of the lowest levels of complaints when compared with other mobile service providers, with approximately 1.0 complaint per 10,000 customers.[15] This combined with 93% of its mobile subscribers saying they would recommend the brand to their family and friends [16] has contributed to the improvement in customer churn to 2.0% and industry-high customer satisfaction in 2017 financial year.

Long-term relationship with Optus

The NSA underpins the successful relationship between the amaysim Group and Optus. It has allowed the amaysim Group to maintain its competitive position in the BYO mobile services market and become the fourth largest independent mobile services provider in Australia.

In the 2017 financial year, the two companies further strengthened their partnership by entering into an agreement for Optus to provide nbn services to the amaysim Group and extending the current term of the NSA for a further year to December 2020 while preserving the option for the amaysim Group to extend the agreement again until December 2025. The key terms of the NSA remain unchanged.[17]

During the year, the amaysim Group leveraged its price review mechanism under the NSA enabling it to execute its dual-brand strategy and to maintain profitable growth in a competitive environment. Vaya continued to provide more value to cost-conscious mobile subscribers with its launch in August 2016 of Australia's cheapest UNLIMITED call and text plan for $16 per month and refreshed its product suite in February and May 2017 to provide more data and value. With Vaya competing on price, amaysim kept its award-winning mobile plans unchanged and focused on providing a high level of customer experience via its online

[11] Telsyte Australian Digital Consumer Study 2017; nearly 90% of 19.7 million Australians aged 16 years and over own a smartphone, tablet or both
[12] Telsyte Australian Mobile Services Market Study 2017
[13] amaysim won Gold in the Best-Value Prepaid Low Usage Mobile Plan category for its As You Go plan and Vaya won Gold in the Best-Value Average Usage Mobile Plan category for its Unlimited M plan, December 2016
[14] Canstar Blue Most Satisfied Customers – Prepaid Mobile Services award in 2013 & 2014; Canstar Blue Most Satisfied Customers – Mobile Phone Plan Providers in 2014; Canstar Blue Most Satisfied Customers – Mobile SIM Only Postpaid in 2016 & 2017
[15] amaysim received 1.0 complaint per 10,000 customers which was one of the lowest levels of industry complaints when compared with other carriers, including Telstra, Optus, Vodafone, Pivotel and Other participants, Telecommunications Complaints in Context, April – June 2017. Applies only to amaysim brand
[16] NPS tracking survey of 2679 customers, May 2017
[17] Refer to Section 3.7 of amaysim Prospectus for further detail of the NSA.

and DIY customer platforms. This dual-brand strategy allowed the amaysim Group to maintain strong gross margins.

In July 2017, amaysim launched its new suite of SIM-only mobile plans offering increased data allowances for customers and, with the support of Optus, is looking to launch more great mobile products in the 2018 financial year.

Successful launch of amaysim nbn and the Vaya online device shop

The launch of amaysim nbn broadband plans in May 2017 addressed the ongoing requests by its mobile subscribers for amaysim to join the nbn race. The relatively new plans are performing well and are aligned to the classic amaysim experience – simple plans, transparent pricing and exceptional user experience. They also include a range of industry firsts with no lock-in contracts, unlimited data, no set-up or standard activation fees, and no switching fees allowing customers to easily change speeds to satisfy their varying needs.

The amaysim Group will continue to grow its broadband business by targeting its existing customer base of 455,000 households in nbn serviceable areas. The Group's broadband subscriber base, including amaysim nbn broadband and AusBBS, closed at approximately 5,000 as of 30 June 2017 and has increased to over 7,000 as at 28 August 2017.

Prior to the end of the 2017 half year, the Company launched the Vaya online device shop as a pilot to address customer demand for handsets that are de-coupled from mobile plans, reduce churn and bring in incremental revenue. The amaysim Group strategy of remaining asset-light has not changed and it does not hold any physical stock and does not provide handset subsidies. Consumer finance options are facilitated through Rate Setter, with whom the amaysim Group has vertical exclusivity.

Following the success of the Vaya online device store, the amaysim Group plans to launch the amaysim online shop in the 2018 financial year.

Acquisition of AusBBS and Click to diversify and grow share of household wallet

Expanding further into Australian households is key to our strategy. The recent move into broadband and energy provides it with the opportunity to capture a greater share of household wallet.

In August 2016, the amaysim Group announced that it had completed the acquisition of broadband service provider AusBBS. With its proprietary platform and industry expertise, AusBBS accelerated the amaysim Group's organic launch into the fixed broadband market in time for the exponential growth of the nbn and other fibre networks in Australia. The AusBBS integration into the amaysim Group has been successfully completed.

In May 2017, the amaysim Group announced it had completed the acquisition of Click, an online pure-play energy retailer in Australia. The acquisition of Click was a highly strategic opportunity and a significant milestone in the evolution of the amaysim Group with energy considered the most logical vertical to complement the amaysim Group's existing suite of mobile and broadband products. Click's strategy and business model is strongly aligned with the amaysim Group and will allow amaysim to significantly enhance its scale and operating leverage. The amaysim Group now has over 800,000 households creating significant cross-sell potential.[18]

Achieved operational efficiencies through customer service, increased focus on DIY experience and disciplined approach to cost-per-acquisition investment

The amaysim Group's owned and managed customer contact centre in Manila became fully operational in August 2016. It handles all customer enquiries, provides back-office support and includes additional development resources.

We call it 'amaysim Philippines' or 'aP' and it has been integral in driving efficiencies and ensuring a high level of customer service. With customer preference of getting help increasingly moving towards online means, over 50% of interactions with the contact center have been non-phone based and almost 40% of interactions are via LiveChat.[19] Customer satisfaction levels are at industry-high levels with amaysim achieving a LiveChat customer satisfaction rating of 95%.

The amaysim Group has also increased its focus on engaging and servicing customers through its self-service app and website to create a truly do-it-yourself experience. In November 2016, amaysim won the inaugural finder.com.au Best Telco Customer Service Innovation Award for its industry-leading online Help section.

Over the year, the amaysim Group remained disciplined and dynamic with its marketing and promotional expenditure to drive subscriber growth at a low cost per acquisition. We expect to pulse our marketing and promotional investment in the 2018 financial year to align with market opportunities and with major product launches – to drive profitable subscriber growth.

[18] As at 30 June 2017
[19] amaysim Phillipines month-on-month averages from Sept 2016 to June 17

Dividends

Consistent with the current dividend policy, the Directors declared a final dividend of 5.1 cents per share on 28 August 2017, fully-franked with payment on 25 October 2017.

The following table includes information relating to dividends paid or declared in respect of the 2017 financial year:

Type	Cents per share	Total amount $'000	Date of payment
Interim	4.0	$7,433	11 April 2017
Final	5.1	$10,710	25 October 2017
Total	9.1	$18,143	
In respect of the previous financial year	8.3	$15,067	

The dividend paid in April 2017 were unfranked whilst the dividends which will be paid in October 2017 will be franked.

Consistent with prior years, the Board's intention this financial year was to target a dividend payout ratio of between 60%-80% of amaysim's Underlying NPATA subject to available profits and the financial position of the business (**Dividend Policy**).

The payment of a dividend is at the discretion of the directors and will be a function of a number of factors including the general business environment, the operating results and financial condition of the company, future funding requirements, capital management initiatives, taxation considerations (including the level of franking credits available), any contractual, legal or regulatory restrictions on the payment of dividends by amaysim, and any other factors the directors consider relevant.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Corporate Governance Statement

The Board of Directors of the Company is responsible for the overall governance of the Company and its subsidiaries.

In order to promote stakeholder confidence and protect shareholder value, the Company is committed to ensuring it maintains a corporate governance system reflective of best practice. Accordingly, the Company has established a framework for overseeing the Group's corporate governance which is designed to comply with regulatory requirements applicable to entities listed on the ASX.

The Company's Corporate Governance Statement is structured with reference to the ASX Corporate Governance Council Corporate Governance Principles and Recommendations (3rd Edition) (the "Principles"). The Principles are outlined below:

ASX Corporate Governance Principles and Recommendations
Principle 1 – Lay solid foundations for management and oversight
Principle 2 – Structure the Board to add value
Principle 3 – Act ethically and responsibly
Principle 4 – Safeguard integrity in corporate reporting
Principle 5 – Make timely and balanced disclosure
Principle 6 – Respect the rights of security holders
Principle 7 – Recognise and manage risk
Principle 8 – Remunerate fairly and responsibly

This Corporate Governance Statement reports the Company's implementation of its corporate governance since listing on the ASX. We intend to regularly review our governance arrangements as well as developments in market practice, expectations and regulation. This statement, together with our ASX Appendix 4G, have both been lodged with the ASX.

More information on specific matters to note in relation to our current corporate governance arrangements, including policies and charters, can be found on the "Corporate Governance" page of the Company's website: https://investor.amaysim.com.au/irm/content/corporate-governance.aspx?RID=353.

This statement provides an outline of the main corporate governance policies and practices the Company had in place during the financial year and how the Company's framework aligns with the Principles (unless otherwise noted).

This statement has been approved by the Board of Directors of the Company and the information contained herein is correct as of 28 August 2017.

1. Laying solid foundations

Shareholders should refer to the Corporate Governance section of the Company's website for a comprehensive list of governance documents.

The Board Charter governs the operations of the Board and sets out the Board's roles and responsibilities, composition, structure and membership requirements. The Board Charter also sets out the responsibilities delegated to the CEO and the management team.

1.1. Responsibilities of the Board

The Board is responsible for providing strategic direction, defining broad issues of policy and overseeing the management of the Company to ensure it is conducted appropriately and in the best interests of Shareholders.

In summary, the Board is responsible for managing the affairs of the company, including its financial and strategic objectives; evaluating, approving and monitoring the Company's annual budgets and business plans, approving and monitoring major capital expenditure and all major corporate transactions, including the issuance of any Company securities and approving all financial reports and material reporting and external communications by the Company in accordance with Company's Communications Policy.

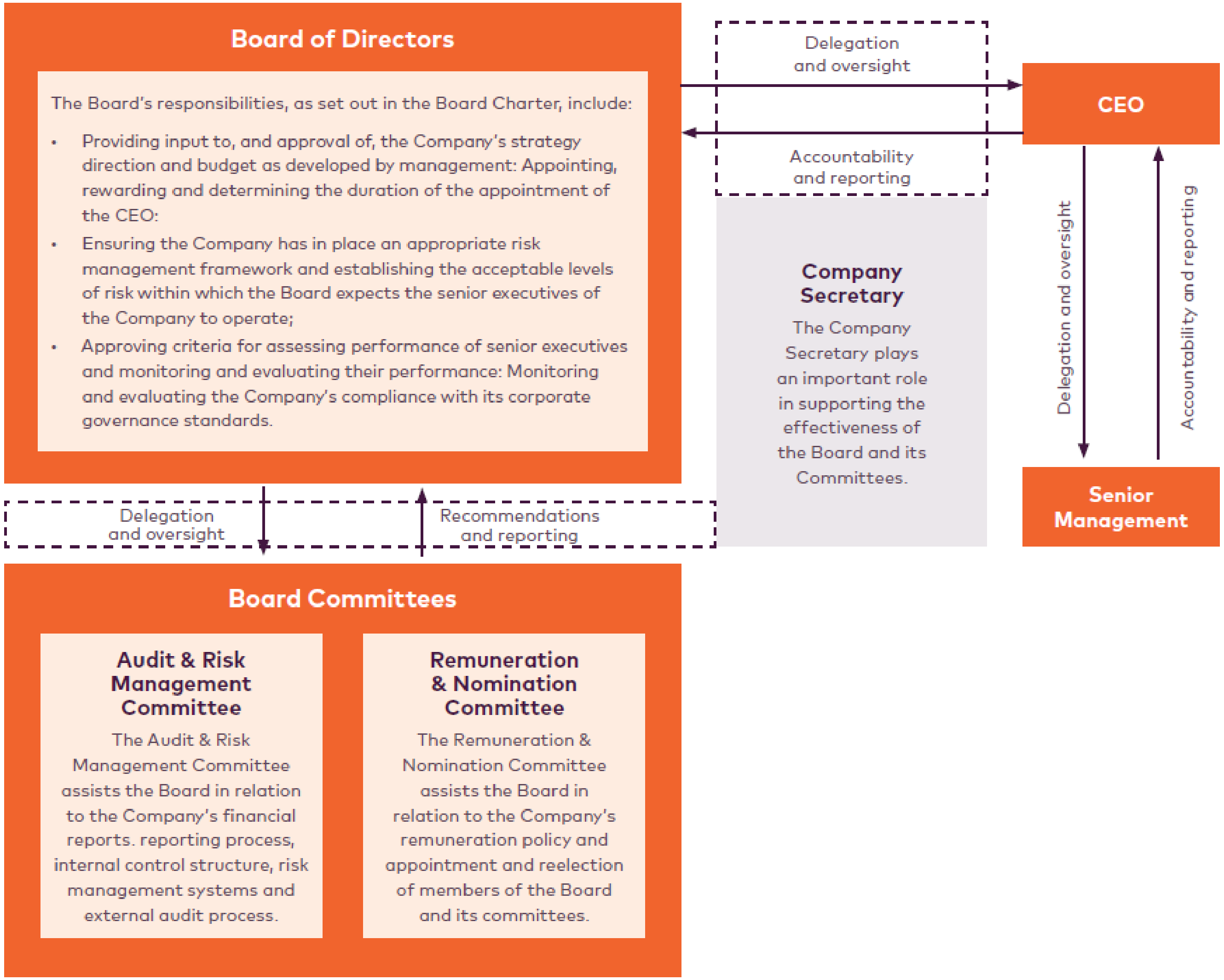
The Board has delegated certain responsibilities and authorities to the CEO and management team to enable them to conduct the Company's day-to-day activities. The management team's role is to support the CEO and to implement the running of the general operations and financial business of the Company. This includes developing business plans, budgets and strategies and operating the business within the parameters set by the Board from time to time.

The Company Secretary is accountable to the Board through the Chairman and will be responsible for the proper functioning of the Board and the Board Committees.

All of the Company's Directors and senior executives have entered into written agreements with the Group setting out the terms of their appointment.

On 25 August 2017, the Board agreed to establish a new committee focused on the energy business.

The diagram below sets provides an overview of the Board, committee and management framework at the Company.



1.2. Board composition and Director independence

The Chairman is Andrew Reitzer, who is an independent and non-executive Director.

The Managing Director and CEO is Julian Ogrin.

With the exception of Mr Ogrin, Mr Peter O'Connell and Mr Rolf Hansen, the Board is of the view all Directors are independent Directors. The Board therefore comprises a majority of independent, non-executive Directors.

The Board considers the composition of the Board reflects an appropriate range of independence, skills and experience. The current Board is also relatively new, having formed immediately prior to the Company's listing on the ASX on 15 July 2015.

The Board will regularly assess the independence of each Director in light of the interests disclosed by them from time to time. That assessment will be made at least annually at, or around the time, the Board considers candidates for election to the Board, and each Director is required to provide the Board with all relevant information for this purpose.

To the best of the Board's knowledge, there have been no material changes in the financial year which would change this.

If the Board determines that a Director's independent status has changed, that determination will be disclosed to the market. The Company is of the opinion that no currently independent Director has an interest, position, association or relationship of the type described in Box 2.3 of the Principles that would compromise the independence of that Director.

1.3. Skills and diversity of the Board

The Company has developed a skills matrix which sets out the mix of skills and diversity currently reflected in its membership.

The Board recognises that for the effective governance of the business, a diverse set of skills, backgrounds, knowledge and experience, is required. The Board and its Remuneration and Nomination Committee focus on ensuring the Board maintains the appropriate balance of experience, skills, independence and knowledge which is needed to meet its responsibilities in accordance with recognised governance standards.

The skills were determined by reference to what is considered important for the management of a publicly listed company and skills specific to the industry in which the Group operates.

The following table sets out the experience and skills deemed necessary or desirable by the Board in the Company's Directors and whether they are represented on the Board.

Skills Matrix:

Competency	Requirements Overview	Board experience
Legal	Legal Experience	☑
Technology	Knowledge of IT governance including privacy, data management and security	☑
Finance	Experience in accounting and finance	☑
Human resources	Experience in managing human capital, remuneration and reward, industrial relations, safety, strategic workforce planning	☑
Risk and compliance	Experience in identifying and managing risks as they relate to an organisation, managing regulatory compliance	☑
Acquisitions and integration	Experience in acquisitions and post-acquisition integration	☑
Debt and equity raising	Experience with debt facilities, hedging and capital raisings	☑
Multi-country experience	Experience gained in positions outside Australia	☑
Large enterprise experience	Experience gained within a large enterprise	☑
Non-executive Director experience	Experience in this capacity	☑
Executive Director experience	Experience in this capacity	☑
Executive management	Experience at an executive level including the ability to appoint and evaluate executive performance	☑
Organisational change	Experience in this capacity	☑
Commercial experience	Possess a broad range of skills across technology, communications, marketing and business operations	☑

1.4. Induction and training

In accordance with the Board Charter and the Remuneration and Nomination Committee Charter, the Directors will be expected to participate in any induction or orientation programs on appointment, and any continuing education or training arranged for them.

The Company Secretary and the Company's head of human resources will help to organise and facilitate the induction and professional development of Directors from time to time.

1.5. Performance evaluation

The Company is committed to carrying out periodic Board performance evaluations. The Remuneration and Nomination Committee has been established by the Board to assist the Board in reviewing the performance of senior executives and members of the Board at least annually.

This process includes undertaking an evaluation of the performance of the Board, each Board Committee and individual Directors, comparing their performance with the requirements of the Board Charter, relevant Board Committee Charters and the reasonable expectations of individual Directors.

An internal review was conducted in the 2017 financial year, which consisted of peer-assessments, where each individual Director assesses the performance of each other Director and the Chairman, both in their roles as Directors and Committee members. The Chairman's also assessed the performance of individual Directors and of the overall Board.

In addition to evaluating the performance of the Board, the Remuneration and Nomination Committee is also responsible for developing and implementing a plan for identifying, assessing and enhancing competencies of senior executives and non-executive Directors.

The Company undertakes 360-degree reviews of all staff, including its senior executives. In addition, the Board and its Committees regularly include time without management as an agenda item, allowing for discussion and consideration of senior executive and Board and Committee performance. The Company regularly undertook these informal reviews during the 2017 financial year.

In addition, the remuneration structure (including the legacy employee share rights plan, Long Term Incentive Plan and Short Term Incentives) focuses on rewarding performance over and above expectations and various performance indicators (refer to the Remuneration Report as applicable).

1.6. Director succession planning

The Board, together with the Remuneration and Nomination Committee, plans for its own succession by:

- considering the skills, backgrounds, knowledge and experience, and gender diversity necessary to allow it to meet the Group's objectives;
- assessing the skills, backgrounds, knowledge, experience and diversity currently represented;
- identifying any inadequate representation of the above attributes and establishing a process necessary to ensure a candidate is selected who brings them to the Board; and
- assessing how Board performance could be enhanced.

The Remuneration and Nomination Committee will continue to ensure the Board monitors its succession requirements and implements an approach to Board renewal through a regular cycle of Director elections.

2. Board Committees

2.1. Composition and responsibilities of Committees

As at the date of this statement, the following standing Committees have been established to assist the Board in carrying out its responsibilities:

- Audit and Risk Management Committee; and
- Remuneration and Nomination Committee

Each Committee is governed by a formal charter approved by the Board documenting composition and responsibilities. Copies of these Charters are available on the Company's website.

On 25 August 2017, the Board agreed to establish a new committee focused on the energy business. This new committee will be operational throughout the 2018 financial year and will be included in more detail in the next annual report.

The table below outlines the composition and responsibilities of each of these Committees.

This table outlines the composition and responsibilities of each of the Board Committees

	Audit and Risk Management Committee	Remuneration and Nominations Committee
Composition	The Audit and Risk Management Committee is currently comprised of three Non-Executive Directors, a majority of whom are independent Directors (including an independent Director as Chair). Certain members of management, external advisors and the external auditor may attend meetings of the committee by invitation of the committee Chairperson.	The Remuneration and Nomination Committee is currently comprised of three Non-Executive Directors, a majority of whom are independent Directors (including an independent Director as Chair). Certain members of management and external advisors may attend meetings of the committee by invitation of the committee Chairperson.
Roles and responsibilities	The committee will assist the Board in carrying out its corporate governance and oversight responsibilities in relation to the Company's financial reports, financial reporting process, internal control structure, risk management systems (financial and non-financial) and the internal and external audit process. Under the charter, it is the policy of the Company that its external auditing firm must be independent. The committee will review and assess the independence of the external auditor on an annual basis. The Committee meets on a regular basis to: • review and approve external audit plans; • review and approve financial reports; and • review the effectiveness of the Company's compliance and risk management functions.	The main functions of the committee are to assist the Board with a view to establishing a Board of effective composition, size, diversity and expertise to adequately discharge its responsibilities and duties, and assist the Board with a view to discharging its responsibilities to Shareholders and other stakeholders to seek to ensure that the Company: • has coherent remuneration policies, procedures and practices which enable the Company to attract, motivate and retain appropriately skilled and diverse Directors and executives; • fairly and responsibly remunerates Directors and executives; • evaluates the performance of the Board, individual Directors and executives; and • conducts appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a Director.
Membership as at 30 June 2017	• Maria Martin (Independent, Non-executive Director and Chairperson); • Thorsten Kraemer (Independent, Non-executive Director); and • Rolf Hansen (Non-executive Director).	• Andrew Reitzer (Committee Chairperson and Independent, Non-executive Chairman); • Jodie Sangster (Independent, Non-executive Director); and • Peter O'Connell (Non-executive Director).

3. Board meetings

The Board believes all Directors should attend meetings of the Board and all meetings of each Committee of which a Director is a member. During the 2017 financial year, participation by Directors in meetings of the Board and Committees is outlined below. It is important to note that the Board scheduled a significant number of additional meetings throughout the year, which is primarily a result of the acquisitions undertaken by the Company. To foster a culture of openness and collaboration, each of the committees had a standing invitation throughout the year for Directors who were not members to attend committee meetings at their discretion.

	Board	Audit and Risk Management Committee	Remuneration and Nomination Committee
Scheduled meetings	6	4	4
Unscheduled meetings	10	1	1
	A	A	A
Andrew Reitzer	16	5*	5
Julian Ogrin	16	5*	5*
Rolf Hansen	15	5	2*
Thorsten Kraemer	15	4	0
Maria Martin	16	5	4*
Peter O'Connell	16	3*	5
Jodie Sangster	13	1*	2

A = Number of meetings attended.
* = indicates that Director is not a member of a specific committee and attended by invitation or as an alternate committee member.

4. Acting ethically and responsibly

Relevant governance document:

- Code of Conduct

4.1. Code of Conduct

The Board is committed to a high level of integrity and ethical standards in all business practices. Accordingly, the Board has adopted a formal Code of Conduct which outlines how the Company expects its representatives to behave and conduct business in the workplace and includes legal compliance and guidelines on appropriate ethical standards.

All employees of the Company (including temporary employees, contractors and Directors but excluding Click) must comply with the Code of Conduct. Click has its own distinct code of conduct and the Company is undertaking a project to ensure that a unified code of conduct will apply to all employees (including temporary employees, contractors and Directors) in the 2018 financial year.

The Code of Conduct is available on the Company's website on the "Corporate Governance" landing page.

5. Engagement with Shareholders

Relevant governance documents:

- Communications Policy
- Continuous Disclosure Policy

5.1. Communication with our investors

The Company has designed and implemented an investor relations program which facilitates effective two way communication with investors. The Company communicates with its Shareholders by making timely market announcements, by posting relevant information on to its website, by inviting Shareholders to make direct inquiries to the Company via its website and through the use of general meetings which shareholders are encouraged to attend.

The Company respects the environment and has a policy of communicating electronically with shareholders. However, shareholders may still elect to receive information from the Company and its registry by post.

The Company encourages all Shareholders to receive information electronically as this reduces costs, waste and is better for the environment.

6. Risk management and reporting

Proper management of the Company's risks is an important priority of the Board. The Board has adopted a Risk Management Policy appropriate for its business which includes that the Board or Committee of the Board will review the entity's risk management framework at least annually.

This policy highlights the Company's commitment to designing and implementing systems and methods appropriate to identify, minimise and control its risks.

Relevant governance documents:

- Audit and Risk Management Committee Charter
- Risk Management Policy

The Board is responsible for establishing risk parameters, overseeing and approving the risk management system and monitoring its effectiveness. The Board may delegate these functions to the Audit and Risk Management Committee or a separate risk committee in the future. The Board will periodically undertake reviews of its risk management procedures to ensure that they comply with its legal obligations. The Board has in place a system whereby management is required to report as to its adherence to policies and guidelines approved by the Board for the management of risks.

The Company's risk management framework includes various internal controls and written policies, such as a hedging policy and other policies regarding authority levels for expenditure, commitments and general decision making and procedures relating to health and safety to ensure a high standard of performance and regulatory compliance.

Communication to investors of any material changes to the Company's risk profile is covered by the Company's Continuous Disclosure Policy.

Additional information on the Company's risk management framework is described in the "Risks" section of this report.

6.1. CEO and CFO declarations

Before the Board approves the Company's financial statements for a financial period, the CEO and CFO are required to issue a written declaration to the Audit and Risk Management Committee that, in their opinion, the financial records of the Company have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

6.2. External audit

Under the Audit and Risk Management Committee Charter, the Committee will make recommendations to the Board on the appointment, reappointment or replacement, remuneration, monitoring of the effectiveness and independence of the external auditors and resolution of disagreements between management and the auditor regarding financial reporting. The Committee will also consider the scope and adequacy of the external audit.

The Audit and Risk Management Committee Charter contains a requirement for the external auditor to attend the AGM and to be available to answer questions relevant to the audit.

6.3. Internal audit

The Audit and Risk Management Committee is responsible for overseeing processes to ensure there is an adequate system of internal control, reviewing internal control systems and the operational effectiveness of the policies and procedures related to risk and control.

Given the size of the Company, it does not have an internal audit function. However, this position will be reviewed from time to time and may change if the size of the Company materially changes.

The Audit and Risk Management Committee will ensure that the Board is made aware of audit, financial reporting, internal control, risk management and compliance matters which may significantly impact upon the Company in a timely manner and will be responsible for engaging external parties to provide internal audit services to the Company (if required).

6.4. Disclosure obligations

The Company is committed to observing its continuous disclosure obligations under the ASX Listing Rules and the Corporations Act.

The Company has adopted a Continuous Disclosure Policy, which establishes procedures aimed at ensuring Directors and executive management are aware of and fulfil their obligations in relation to the timely disclosure of material price-sensitive information.

The Company complies with its continuous disclosure obligations by ensuring that price sensitive information is identified, reviewed by management and disclosed to the ASX and any applicable regulators in a timely manner and that all such information is posted on the Company's website as soon as possible after disclosure.

The Company Secretary manages compliance with the Company's continuous disclosure obligations and communications with applicable regulators.

6.5. Sustainability

For additional information the Company's exposure to material risks and, how it manages or intends to manage these risks, please refer to the "Risks" section of this report.

7. People and remuneration

The Company has developed a set of key cultural values: simplicity, empathy, agility and reliability.

These cultural pillars helped build amaysim and the Company's strong culture. The pillars and our remuneration practices enable us to attract and retain high quality directors and senior executives while aligning the interests of these individuals with the creation of value for shareholders.

We regularly review skills, offer training programs to fill perceived gaps, and foster continuous improvement of our people.

7.1. Diversity

The Company is proud of its diverse and inclusive workplace and team which is made up of individuals with diverse skills, values, experiences, backgrounds and attributes. The Company is committed to developing measurable objectives to further promote gender diversity and inclusion in its workplace.

The Company has implemented the Diversity Policy which is overseen by the Remuneration and Nomination Committee and which aligns the Company's management systems with its commitment to develop a culture and business model that values and achieves diversity in its workforce and on its Board.

In order to transform its diversity goals into achievable outcomes, the Company intends to consider the implementation of measurable objectives for achieving gender diversity across the organisation moving forward. It is intended these objectives will complement policies already in place which facilitate the development of a diverse workforce.

Given the Company's relatively young age and diverse workforce, the Remuneration and Nomination Committee has deferred assessing the need for a baseline diversity profile of the Company's workforce to enable the formulation of measurable objectives which are best targeted towards achieving diversity. The Company is proud of and reiterates its commitment to maintaining a diverse workforce.

Gender Diversity statistics as at 30 June 2017 are outlined in the following table.

Level	Number of directors/ employees at 30 June 2017	Number of women at 30 June 2017	Percentage of women at 30 June 2017
Board composition (NEDs)	6	2	33%
Key Management Personnel (incl. CEO)	4	1	25%
Managers/Team Leaders	132	56	42%
Non-management	340	165	49%
All employees (excl. Board)	476	222	46%

The above table includes all amaysim Group employees, including Click's Melbourne-based team and our team in Manila.

We are required by the Workplace Gender Equality Act 2012 to report our workforce gender profile as at 31 March each year. Our latest report was lodged with the WGEA and is available on the "Corporate Governance" page of our Investor Centre which can be located here: https://investor.amaysim.com.au/irm/content/corporate-governance.aspx?RID=353.

7.2. Executive succession planning

The Remuneration and Nomination Committee meets periodically to discuss and consider executive succession planning.

7.3. Equity-based remuneration scheme

Under the Company's Remuneration Policy, the entry into transactions which limit the economic risks of participating in an equity based remuneration scheme is not permitted unless the contemplated transaction is permitted under the Securities Trading Policy.

The Securities Trading Policy expressly prohibits Directors and all employees from using, or allowing to be used, any derivatives or other products which operate to limit the economic risk of unvested Company securities.

Further, no Director or employee may enter into a margin loan or similar funding arrangement to acquire any Company securities, or grant lenders any rights over their Company securities without first obtaining prior written approval.

7.4. Remuneration for non-executive directors

As noted above, the Board maintains a Remuneration and Nomination Committee responsible for making recommendations to the Board regarding remuneration. The Remuneration and Nomination Committee Charter is available on the Company's website.

The Remuneration and Nomination Committee Charter forms the basis for the Company's remuneration policies and procedures.

The policies regarding remuneration of non-executive Directors and the remuneration and employment arrangements of executive directors are disclosed separately in this Report.

8. Other information

This Corporate Governance Statement has been approved by the Board of amaysim Australia Limited and the information contained in it is current as at 28 August 2017, unless stated otherwise.

This statement, together with our 2017 ASX Appendix 4G (which is a checklist cross-referencing the ASX Recommendations to the relevant disclosures in this statement and our website (our ASX Appendix 4G)), have both been lodged with the ASX and can be found on the "Corporate Governance" page of our Investor Centre https://investor.amaysim.com.au/irm/content/corporate-governance.aspx?RID=353.

More information on our governance arrangements, including our Board and Board Committee Charters and key policies, can also be found on our Investor Centre.

Risks

The amaysim Group operates in a rapidly changing environment characterised by profound change in the way people interact with their service providers, connect and communicate.

Risk management

The Company operates within a highly competitive, technology based industry and is exposed to a range of risks that have the potential to impact on our financial, operational and strategic business performance. Risk recognition and management are viewed by the Company as integral to its objectives of creating and maintaining shareholder value, and to the successful execution of the Company's strategies.

Board responsibility

The Board is responsible for establishing acceptable levels of risk within which the Board expects management of the Company to operate, risk management and reporting. This includes ensuring the Company has in place an appropriate risk management framework, reviewing and ratifying the Company's systems of internal compliance and approving and monitoring material internal and external financial and other reporting.

Audit and Risk Management Committee

The Audit and Risk Management Committee has been established to assist the Board in fulfilling its corporate governance and oversight responsibilities in relation to the Company's financial reports and financial reporting process and internal control structure, risk management systems (financial and non-financial) and the audit process.

Accordingly, the Committee meets on a regular basis to:

- review and approve external audit plans;
- review and approve financial reports; and
- review the effectiveness of the Company's compliance and risk management functions.

Risk Management Framework

The amaysim risk management framework enables the strategy by establishing the processes, structures and culture to identify, assess, treat and monitor various risks. The key elements of this framework include:

- The Board, and CEO who provide ultimate oversight and accountability for risk management and set the risk parameters through an agreed "Risk Appetite Statement". This statement is a process through which the Board has identified and agreed on the material business risks and has determined its appetite in respect of each of these material business risks (set out below in more detail).
- The Audit and Risk Committee assists the Board in fulfilling its corporate governance and oversight responsibilities.
- Responsible managers who operationalise and work within the agreed risk parameters.
- The Company's disciplined staff who are empowered to identify and manage risk on a day-to-day basis.

One of the core components of our framework a regular reporting to the Audit and Risk Management Committee. This report identifies how the business is tracking against the Risk Appetite Statement. This report is inclusive of many types of risks from internal and external sources, including strategic, operational, financial and regulatory.

Any new risks that are identified are brought to the attention of the management team, the CEO and the Audit and Risk Management Committee on an ongoing basis. Material risks are escalated to the Board.

Material business risks

The Company is committed to the proactive identification and management of material risks by way of a Board risk appetite survey. The following information represents a summary of those identified material risks and the applicable management strategies in respect of each risk. These risks are not all encompassing, nor listed in any order of significance. Except as described in the table on the following page, the Company does not consider that it has a material exposure to economic, environmental or social sustainability risks.

Material Business Risks	Management Strategy
Industry, market & structure Inability to keep pace with changes in industry or that market disruption will reduce the Group's ability to compete and grow revenue.	Our market and how we operate in it is important to our ongoing success as a value-led, disruptive, technology focussed and asset light business. We manage our exposure to this risk by proactively monitoring changes in our industry, new participants and products. We continue to invest in data-analytics and IT platforms that help us understand our current and potential customers better, as well as our competitors' behaviours. These investments support our strategy, which focusses on innovation and a continual assessment of the relevance and effectiveness of products to ensure that we deliver on our customers' expectations.
People, culture & change management Inability to maintain and develop the culture and people capability to enable and facilitate effective business growth.	We have a strong emphasis on our values-led culture, which we strive to live everyday with our staff, our customers and our business partners. Our values of simplicity, empathy, agility and reliability enable our people to think innovatively and to ensure that our products are relevant to our target markets. Knowing that our people enable our success, an important part of how we mitigate this risk is to maintain a culture of recognition, talent identification and development.
Business critical systems (internal & external) Failure to adequately respond to business critical system issues impacting internal and external reporting, service delivery, and informed decision making, which may have an adverse financial, brand perception, or customer experience impact.	We know that service reliability is very important to our customers. As an online business, we are reliant on our distribution and network service providers to work with us to quickly identify and remediate any issues. For our internal systems, we continue to invest in the development of our systems' resilience and capabilities. We have implemented and regularly test our Business Continuity Plan and Disaster Recovery Plan strategies.
Corporate image (governance) Not maintaining shareholder (current and prospective) and broader investment community confidence in the corporate image of the Board and the management team	We understand that maintaining confidence in our Board and management team is very important. We have an investor relations team who manage an active calendar of events and market communications to engage with our shareholders and the broader investor community. We seek regular feedback from the investor community and conducted an investor perceptions audit.

Material Business Risks	Management Strategy
Data security and integrity Actual or perceived lack of integrity and/or security in our sensitive data and critical software infrastructure which adversely impacts brand equity.	Our customers' privacy and data security is very important to us, and we are continually working to develop and refine our security systems. As part of our compliance with stringent Payment Card Industry Data Security Standard requirements, we maintain and continuously improve advanced security and monitoring measures across all IT platforms.
Innovation, disruption, diversification capabilities Inability to innovate, disrupt, or diversify the products and services offered to the market which adversely impacts amaysim's ability to build and maintain or increase market share.	We know that unless we innovate and lead the market in value we will be unable to deliver on our brand promise. To mitigate this risk, we cultivate a culture in our people which supports ongoing innovation and product development. With agility as a core value of our company, our people have the freedom to be creative and regularly challenge what we are doing to ensure that we offer products that deliver on our brand promise, and lead the market and delight our subscribers.
Business partner relationships Ineffective management of business partner relationships which may impact services and operations.	We work closely with all of our major business partners and network service providers. Our goal is to ensure that our culture and values are fulfilled and adhered to in all of our relationships.
Branding Reducing brand equity and relevance in the market which may adversely impact amaysim's ability to maintain or increase market share.	We are proud of our brands, amaysim, Vaya, Click Energy and On the Move, and of their performance. We manage this risk through active monitoring of our brand metrics, targeted marketing budgets, strong retail products and leading customer experience.
Customer experience Failure to deliver on customer expectations for services and products which reduces amaysim's ability to maintain or increase market share.	We maintain a strong focus on customer experience and closely monitor key metrics such as social media sentiment, net promoter score, customer service satisfaction levels and TIO complaints. We mitigate this risk by making customer experience a focus of our strategy, and a key differentiator for us in the market.

Corporate Social Responsibility

The amaysim Group is powered by a team of innovators who strive to make a difference to its customers and the wider communities in which it operates its business.

Our core values – **empathy**, **agility**, **reliability** and **simplicity** – are at the heart of everything we do.

Communities

We aim to share our entrepreneurial enthusiasm and the economic benefit created by our business with the community. Employees are encouraged to support charities or community causes that are close to their hearts, and if individuals choose to take part in an event, very often the amaysim Group is also willing to get involved in these grass-roots initiatives. This year the amaysim Group and its employees:

- Built flatpacks for **Womens' Shelters** to assist them build a new life.
- Built sustainable nesting boxes for **Native Australian Animals**. Working in conjunction with local councils the boxes are then placed in targeted environments where natural hollows are few.
- Donated blood quarterly as part of the **Australian Red Cross** Red25 group donation program.
- Sponsored the **White Knight Foundation** Fundraiser Dinner to help the foundation continue its mission of providing financial and emotional support to young victims of violence and their families.
- Brought the joy of Christmas to under-privileged Aussie kids by donating over 100 toys to the **Salvation Army** Christmas Appeal.
- Wear Orange to Work Day in support of **State Emergency Services**.
- Donated 20 monitors to **Good Return**, a not for profit organisation who provide people, living in poverty in the Asia Pacific region, with access to resources and opportunities to improve their lives.

A diverse team with a unified purpose of helping make telco and now energy simple for Aussies.

Employee matters

Employees

The amaysim Group considers its people to be its greatest asset and recognises their individual identities as an intrinsic part of the amaysim Group's not so corporate, corporate culture. Our ability to create sustainable shareholder value is linked to our ability to recruit, motivate and retain a high calibre of staff. We strive to recognise achievement and create opportunities for individuals at all levels of our business through learning and development programs, mentorship, coaching and a range of industry and in-house idea sharing. In all employee matters we act in compliance with national regulatory requirements and our obligations under relevant national laws.

Equal opportunity

The amaysim Group is proud of its diverse and inclusive workplace and team which is made up of individuals with diverse skills, values, experiences, backgrounds and attributes. As an Australian business headquartered in Sydney, the amaysim Group celebrates the diversity of the country and gives opportunity to, and includes, the people who are a reflection of Australia's multiculturalism. With the addition of a strong presence in Manila and the Click Energy Group office in Melbourne, the Company is embracing its cultural and geographic diversity.

The amaysim Group values diversity in the workplace and believes diversity enhances employee participation and gives the Company a competitive advantage which is essential for organisations to continuously grow and succeed. To nurture and foster its diverse and inclusive workplace, the Company has a diversity policy and recognises ethnic, gender, marriage and age equality.

Occupational health

The Company strives to make work not feel like work, and to find creative ways of improving employee work-life balance, or what the Group prefers to call it, life balance. These include: flexibility in leave entitlements towards study programs, to reward and motivate highly engaged team members; access to an Employee Assistance Program, a free, third party, confidential counselling service for all employees and contractors; and to support and enhance the physical wellbeing of its employees, the Company has subsidised gym memberships and selected complimentary classes. Team members also battle it out in a lunchtime competition known as 'Lunchtime Legends' and participate in events such as the annual City2Surf.

Performance and reward

The Company values all employees for their contribution to our business. We are committed to diversity and opportunities for advancement and these factors are not influenced by considerations other than performance and aptitude. Employees are provided with the opportunity and training to develop their potential and, where appropriate, to develop their careers further within the amaysim Group. The Company's aim is to ensure all employees are remunerated fairly and competitively. Remuneration includes competitive base salaries, a bonus scheme, extra annual leave to celebrate birthdays and subsidised mobile and nbn plans, devices and energy.

Health, safety and environment

The Company conducts its business in accordance with all workplace health and safety (WHS) laws, standards and codes of practice to protect the health and safety of its employees, contractors and visitors.

The amaysim Group aims to make a positive contribution to the protection of the environment in which we operate and to minimise the adverse effects of our operations.

We also strive to contribute positively to global sustainability through our operations, the development of new technologies and in the conduct of our relationships with all our stakeholders.

In a bid to save paper, we have recently embraced technology to sign and negotiate documents online. This has been a huge success and has also led efficiencies in our small but effective legal team.

Business conduct

Treatment of customers

The amaysim Group believes all Australians should have access to mobile and energy services that provide value. As well as providing our customers with award winning service and great products the amaysim group has Financial Hardship Policies ready to protect and assist all customers that fall on hard times.

The Company understands that customers will receive better service and experience when its staff are happy and motivated. To foster and nurture a mentally and physically supportive workplace, the Company has a wellbeing program which is broken down into five pillars – career, financial, personal, community and social.

Competition

We always aim to compete vigorously with our competitors, but in a fair and responsible way. We strive to ensure our success is built on excellence. Employees are encouraged to act with integrity and are prohibited from entering into any arrangements or engaging in practices that may conflict with codes or laws applicable to the conduct of our business.

Bribery and corruption

The Company is committed to promoting and supporting a culture or corporate compliance and ethical behaviour. As such it has a whistleblowers' policy in place that encourages employees to raise any concerns and report instances of Reportable Conduct where there are reasonable grounds to support such action, without fear of intimidation, disadvantage or reprisal.

Relations with suppliers

We ensure that all our suppliers are treated fairly and responsibly. We strive to pay our suppliers on time and in accordance with agreed terms of trade.

Shareholder Information

	Investor	Units	% of Units
1	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	59,302,928	28.51
2	J P MORGAN NOMINEES AUSTRALIA LIMITED	40,732,253	19.58
3	CITICORP NOMINEES PTY LIMITED	20,089,167	9.66
4	ANGELENO INVESTORS II LP	5,425,867	2.61
5	BNP PARIBAS NOMS PTY LTD <DRP>	4,194,531	2.02
6	ROLF HANSEN	3,867,010	1.86
7	MR ANDREAS PERREITER	3,867,005	1.86
8	CITICORP NOMINEES PTY LIMITED <COLONIAL FIRST STATE INV A/C>	3,853,870	1.85
9	RICANGUS PTY LTD	3,567,005	1.71
10	NATIONAL NOMINEES LIMITED	3,403,455	1.64
11	MR CHRISTIAN JOHANN MAGEL	3,400,000	1.63
12	TELCO EIGHT PTY LTD	3,028,087	1.46
13	OZMOB PTY LTD	2,708,103	1.30
14	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	2,235,525	1.07
15	ES LINK PTY LTD	1,697,556	0.82
16	THORSTEN KRAEMER	1,450,000	0.70
17	BNP PARIBAS NOMINEES PTY LTD <AGENCY LENDING DRP A/C>	1,185,717	0.57
18	UBS NOMINEES PTY LTD	1,021,299	0.49
19	OTTERPAW PTY LTD <PENGUIN A/C>	831,544	0.40
20	MR DOMINIC DRENEN	604,604	0.29
	Total	**166,465,526**	**80.03**

As at 18 August 2017

Directors' Report

The Directors present their report, together with the financial statements of amaysim Australia Limited and its subsidiaries for the year ended 30 June 2017. The financial statements have been reviewed and approved by the Directors.

Directors

The directors of the Group during the year and up to the date of this report are shown below. The directors were in office for this entire period:

Andrew Reitzer	Chairman and Independent Non-Executive Director
Julian Ogrin	Chief Executive Officer and Managing Director
Rolf Hansen	Non-Executive Director
Thorsten Kraemer	Independent Non-Executive Director
Maria Martin	Independent Non-Executive Director
Peter O'Connell	Non-Executive Director
Jodie Sangster	Independent Non-Executive Director

Company secretary

Alex Feldman holds the position of company secretary and general counsel. Alex has been with amaysim since it listed in 2015 and is responsible for the Group's legal and regulatory functions, as well as investor relations and strategic corporate development opportunities such as mergers and acquisitions and significant partnerships. Before joining amaysim, Alex worked as a Senior Associate at King & Wood Mallesons, specialising in major projects across various sectors including energy, infrastructure and technology.

Principal activities

The principal activity of the Group during the financial year was the provision of mobile telecommunication services. On 1 May 2017, the Company acquired Click and as a result diversified into the provision of retail energy services.

Dividends

Consistent with the Dividend Policy, the directors declared a final dividend of 5.1 cents per share on 28 August 2017, franked with payment on 25 October 2017.

The following table includes information relating to dividends paid or declared in respect of the 2017 financial year:

Type	Cents per share	Total amount $'000	Date of payment
In respect of the current financial year			
Interim (unfranked)	4.0	$7,433	11 April 2017
Final (franked)	5.1	$10,710	25 October 2017
Total (partially franked)	**9.1**	**$18,143**	
In respect of the previous financial year	8.3	$15,067	

The payment of a dividend is at the discretion of the directors and will be a function of a number of factors including the general business environment, the operating results and financial condition of amaysim, future funding requirements, capital management initiatives, taxation considerations (including the level of franking credits available), any contractual, legal or regulatory restrictions on the payment of dividends by amaysim, and any other factors the directors consider relevant.

Review of operations

The amaysim Group is a leading Australian mobile service provider with a multi-vertical business model built on innovative technology and exceptional user experience. With approximately 1.074 million mobile subscribers, the Company is Australia's largest Mobile Virtual Network Operator (MVNO) and fourth largest mobile services provider.

The amaysim Group, including Vaya Pty Limited and its subsidiaries (Vaya), which were acquired in January 2016, had an estimated 3% market share of the Australian mobile services market and 31% of the MVNO market by number of subscribers as at December 2016.[20]

With 53% of handsets on non-contract plans, up from 47% in 2012,[20] the Group continues to capitalise on the growth in the Australian BYO handset mobile services market by offering simple and competitive SIM-only mobile plans while continuing to focus on providing an excellent customer experience across its online and app platforms. During the year, the Group leveraged its price review mechanism under the NSA to maintain its competitiveness and execute its dual-brand strategy. With amaysim keeping its mobile plans unchanged in the year, the Group used Vaya to provide more value and data to cost-conscious mobile subscribers and refreshed its product suite in August 2016, February 2017 and again in May 2017.

The Group's mobile plans and customer-first approach have been recognised with both amaysim and Vaya winning Gold awards in Money Magazine's annual 2017 Best of the Best Awards[21] and amaysim winning the 2017 Canstar for Most Satisfied Customers – Mobile SIM Only; the fifth such award since 2013.[22]

With plans to increase relevance to Australian households through a multi-product approach, the Group positioned itself for growth in the 2017 financial year by developing and leveraging its technology platform to enable it to offer mobile, broadband, energy and devices.

In August 2016, the amaysim Group announced the acquisition of AusBBS which allowed amaysim to accelerate its broadband internet strategy and address the ongoing requests by its mobile subscribers to provide nbn services. The integration of AusBBS into the amaysim Group has been successfully completed and in May 2017, amaysim launched its suite of nbn plans featuring unlimited data, no lock-in contracts, no activation fees and no switching costs between plans.

In November 2016, the Group launched the Vaya online device shop as a pilot to address customer demand for handsets that are not locked into contracts, reduce churn and bring in incremental revenue. Following the success of the Vaya online device store, the Group plans to launch the amaysim online shop in the 2018 financial year.

In May 2017, the amaysim Group announced it had completed the acquisition of Click, an online Australian energy retailer offering electricity and gas. Click's strategy and business model is strongly aligned with the amaysim Group and will allow it to significantly enhance its scale and operating leverage. The Group now has over 800,000 households creating significant cross-sell potential.[23]

[20] Telsyte Australian Mobile Services Market Study 2017

[21] amaysim won Gold in the Best-Value Prepaid Low Usage Mobile Plan category for its As You Go plan and Vaya won Gold in the Best-Value Average Usage Mobile Plan category for its Unlimited M plan, December 2016

[22] Canstar Blue Most Satisfied Customers – Prepaid Mobile Services award in 2013 & 2014; Canstar Blue Most Satisfied Customers – Mobile Phone Plan Providers in 2014; Canstar Blue Most Satisfied Customers – Mobile SIM Only Postpaid in 2016 & 2017

[23] As at 30 June 2017

Financial performance

The results of the amaysim Group for FY2016 and FY2017 are detailed below and include the mobile (including devices), broadband and energy businesses.

In FY2016, there was only one segment being Mobile. Due to the acquisition of AusBBS, and Click, the Group restructured its activities during FY2017 and aligned its financial reporting to the new business activities. The three reportable segments identified to measure the financial performance of the Group are Mobile services, Broadband and Energy.

A$'000 (unless stated)		FY2017* Actual	FY2016** Actual	Variance %
Net revenue	(i)	326,680	253,537	29%
Gross Profit	(ii)	99,073	85,448	16%
Gross Profit Margin %	(iii)	30.33%	33.70%	-3%
Net Profit After Tax (NPAT)	(iv)	11,512	12,306	-6%

* FY2017 includes 10 months contribution from AusBBS acquired on 23 August 2016, amaysim nbn (launch in May 2017), and 2-months contribution from Click (acquired 1 May 2017).

** FY2016 includes 6-months contribution from Vaya (acquired 1 January 2016)

(i) Net revenue for the financial year of $326,680k grew $73,143k, compared to the prior year reflecting the solid growth in the mobile subscriber base with closing subscribers up 11% to 1,074m, the full 12-months contribution from Vaya and 2-months contribution from Click.

(ii) Gross profit growth increased by $13,625k reflecting the Group's robust NSA (including the price review mechanism) and 2-months contribution from Click.

(iii) Gross profit margin decreased from 33.70% to 30.33% during the financial year due to the impact of the lower margins from broadband and Click. The FY2017 mobile gross margin was solid at 31.90%.

(iv) Statutory NPAT of $11,512k for FY2017 includes additional expenses of $1,828k for the acquisition and integration of AusBBS, $7,000k for the acquisition and integration of Click and $2,915k non core expenses, net of tax effect for ($1,815k), whereas FY2016 statutory NPAT of $12,306k included additional expenses of $8,633k for listing on the ASX, $1,734k for acquisition expenses, net of tax effect for ($2,707k). Additional information related to underlying NPAT is below.

Additional financial performance information

Given the acquisition related costs and the non core expenses included in the statutory results, the Directors are of the opinion that underlying financial information provides useful information about the financial performance of the Group. This information should be considered as supplementary to the consolidated statement of comprehensive income that has been presented in accordance with the Australian Accounting Standards and not as a replacement for them. Because these non-IFRS financial measures are not based on Australian Accounting Standards, they do not have standard definitions, and the way amaysim has calculated these measures may differ from similarly titled measures used by other companies. Readers should therefore not place undue reliance on these non-IFRS financial measures.

A$'000 (unless stated)		FY2017* Underlying	FY2016 ** Underlying	Variance %
EBITDA	(i)	43,542	35,443	23%
NPAT	(ii)	21,185	19,926	6%
NPATA	(iii)	25,183	21,805	15%
Underlying EPS (cps)	(iv)	11.3	11.3	-

* FY2017 includes 10 months contribution from AusBBS acquired on 23 August 2016, amaysim nbn (launch in May 2017), and 2-months contribution from Click (acquired 1 May 2017).

** FY2016 includes 6-months contribution from Vaya (acquired 1 January 2016)

Reconciliation of statutory results to underlying results

The table below reconciles the statutory financial information to underlying financial information.

Financial year ended 30 June 2017		EBITDA $'000	NPAT $'000	NPATA $'000
Statutory results		33,842	11,512	15,510
Add back/(deduct):				
Acquisition related expenses	(i)	5,479	5,479	5,479
Integration expenses	(ii)	1,449	1,449	1,449
Restructure of debt facilities	(iii)	1,900	1,900	1,900
Non-core income - Air tasker share sale	(iv)	(2,032)	(2,032)	(2,032)
Non-core expenses	(v)	2,904	2,904	2,904
Derecognition of tax losses due to acquisition of Click	(vi)	-	1,788	1,788
Income tax adjustment	(vii)	-	(1,815)	(1,815)
Underlying results		43,542	21,185	25,183

(i) Acquisition expenses comprise transaction expenses incurred in the process of acquiring Click Energy Group Holdings Pty Ltd, Australian Broadband Services Pty Limited and Vaya Pty Limited.

(ii) Integration related expenses comprise of costs directly related to integrating and reorganising acquired businesses.

(iii) Restructure of debt facilities are associated with the restructuring of Optus security arrangements to allow new CBA/WBC debt facilities for the acquisition of Click.

(iv) During the period shares held in Airtasker were sold

(v) Non-core expenses relate to staff redundancy and termination expenses associated with restructuring activities.

(vi) Tax losses have been written off as the Group will fail the tax same business test on acquisition of Click.

(vii) Income tax adjustment is the tax impact of the underlying NPAT adjustments.

Review of financial position

As a result of the group's strong financial performance and the recent acquisition of the Click Energy Group, the group has net assets of $76,236k as at 30 June 2017 (30 June 2016: net assets of $32,311k).

As at 30 June 2017, the group's current liabilities exceed current assets by $50,077k (30 June 2016: $46,319k). Despite these historical working capital deficits, the Company continues to operate successfully and generate strongly positive operating cash inflows. This is because of a positive trading cash flow cycle for the mobile segment where inflows from customer payments are received faster than the Company is required to pay major creditors which are on fixed payment terms, and certain liabilities which, in practice, can be deferred beyond the short term. For further details, refer to Note 1 (iv).

Business risks

Like other businesses, the Group is exposed to a number of risks which may affect future financial performance. In addition to the financial risk management section below, the Directors have identified certain risks which are set out in this annual report.

Significant changes in the state of affairs

Acquisition of Australian Broadband Services Pty Limited

On 19 July 2016 the Company entered into terms of agreement to purchase AusBBS. This acquisition accelerates its strategy of entering into the broadband market in order to be ready for the upcoming forced migration event presented by the rollout of the National Broadband Network (NBN). Further details of the proposed acquisition are disclosed in Note 17.

Acquisition of Click Energy Group Holdings Pty Ltd

On 1 May 2017 the Company acquired 100% of the issued shares capital in Click, an energy service retailer based in Melbourne, Australia. Further details of the acquisition are set out in Note 17.

Other than the above mentioned matters, no matter or circumstance has arisen since 30 June 2017 to the date of signing this report that has significantly affected, the Group's operations, results or state of affairs, or may do so in future years.

Event subsequent to balance date

Addition to the syndicated banking facility

On 3 July 2017, Westpac Corporation joined the syndicated banking facility on the same terms as CBA taking up a 50% of the Facility.

Dividend payable

The directors declared a dividend of 5.1 cents per share on 28 August 2017. Further details are set out on Note 7 of this report. No provision has been made in the Accounts for dividends payable at 30 June 2017.

Likely developments

Continued demand for mobile services, the growth of the BYO-device market segment and the rollout of NBN and other fibre networks are expected to have a positive impact on amaysim's performance in financial year 2018. The Group will continue with its strategy of capturing mobile market share, leveraging customer experience and satisfaction for retention and expanding its 'amazingly simple' brand into the home through diversification into broadband, devices and energy.

Environmental regulation

The operations of the Group are not subject to any particular or significant environmental regulations under a Commonwealth, State or Territory Law.

Information on Directors

The amaysim Group's Board of Directors has a broad range of skills. Including extensive experience in running successful businesses and a broad range of professional skills such as finance, legal, marketing and accounting.

Andrew Reitzer

Independent Non-executive Chairman

Experience & expertise

Andrew Reitzer has over 35 years experience in both the retail and wholesaling industries. He is currently the Independent Chairman of SG Fleet. Andrew was the CEO of Metcash Limited from 1988 to 30 June 2013 and currently acts as a consultant to Metcash. Prior to this, Andrew held management roles at Metro Cash & Carry and led the establishment of Metro's operations in Israel and Russia. Andrew also served as Metro's Group Operations Director. Andrew has extensive experience in M&A, post-acquisition integration and organizational change.

Qualifications

Bachelor of Commerce and a Masters of Business Administration from the University of South Africa.

Special responsibilities

Remuneration and nomination committee (Chairperson)

Interest in shares and options

83,333 Shares

Julian Ogrin

CEO and Managing Director

Experience & expertise

Julian Ogrin has over 20 years experience in the telecommunications industry and in 2015 he lead amaysim to successfully list on the ASX. Prior to joining amaysim in 2013, Julian was the CEO of Tele2 Croatia and prior to that was the Chief Commercial Officer of Meteor Mobile Communications Ireland. Julian also has senior executive experience in the telecommunications industry, which has seen him based in Sydney, London and Hong Kong with organisations such as Allphones Retail Group Australia, SAS, Vodafone and Cable & Wireless Group.

Qualifications

Bachelor of Business from the Avondale College.

Special responsibilities

None

Interest in shares and options

833,605 Shares Rights (to be issued in August 2017); 1,950,000 Options

Rolf Hansen

Non-executive Director

Experience & expertise

Rolf Hansen co-founded amaysim in May 2010 and was CEO of amaysim until February 2015. Prior to co-founding amaysim, Rolf worked as founder and CEO of Simyo GmbH, Germany's first no frills MVNO, which launched in May 2005 and was sold to E-Plus Mobilfunk GmbH. Rolf also has senior executive experience in the e-commerce and telecommunications industry with Letsbuyit.com, Deutsche Telekom/T-Mobile and Hutchison Telecom Germany.

Qualifications

Degree in Business Administration, specialising in Marketing and Finance.

Special responsibilities

Audit and risk management committee

Interest in shares and options

3,867,010 Shares

Thorsten Kraemer

Independent Non-executive Director

Experience & expertise

Thorsten Kraemer joined the Board as a Director in 2010 and has over 19 years experience in the telecommunications industry. Thorsten has been a member of the Supervisory Board of freenet AG, a German MVNO that is listed on the Frankfurt Stock Exchange. Thorsten was also the Chairman of freenet AG's Supervisory Board. Thorsten has held senior roles in funds management of public and private equity and is currently the Managing Director of Crocodile Capital GmbH, which he founded in 2012. Thorsten is also experienced in software development, and has an in-depth knowledge of and experience in investing in the software industry. In addition to his equity capital markets experience, Thorsten has a wealth of hands-on experience with debt and hedging.

Qualifications

Degree in Business Administration and Economics from the University of Cologne.

Special responsibilities

Audit and risk management committee

Interest in shares and options

1,450,000 Shares

Maria Martin

Independent Non-executive Director

Experience & expertise

Maria Martin joined amaysim in 2015 and has over 30 years experience in accounting, business advisory, transactions and risk management across a variety of clients and industries including retail and consumer goods. Maria is an Independent non-executive director of OrotonGroup Limited, where she fills roles of Chair of Audit Committee and Chair of People and Organisation Committee. Previous professional experience includes 15 years as an Assurance Partner at Pricewaterhouse Coopers, where she was also a business unit leader of the firm's technology group and responsible for up to 200 people. She is currently a member of the Women on Boards association.

Qualifications

Bachelor of Commerce from UNSW, Graduate of the Australian Institute of Company Directors and a Fellow of Chartered Accountants (ANZ).

Special responsibilities

Audit and risk management committee (Chairperson)

Interest in shares and options

16,666 Shares

Peter O'Connell

Non-executive Director

Experience & expertise

Peter O'Connell co-founded and was Chairman of amaysim from incorporation until June 2015. Previous professional experience includes partner at Minter Ellison and Gilbert & Tobin where he acted on major defence contracts, energy and telecommunications projects for global clients, Asia Pacific Counsel for BellSouth, founding a boutique advisory business in telecommunications and technology, as well as senior executive and CEO roles for large Australian organisations. Peter was part of a group which helped establish Optus Communications and was founding director of the company. Peter has served on a number of boards for private and public companies and on government boards, including serving as an advisor to the Australian Government on I.T reform.

Qualifications

Peter holds a Bachelor of Arts (Hons) from the University of Sydney and a LLB Bachelor of Law from Australian National University.

Special responsibilities

Remuneration and nomination committee

Interest in shares and options

3,567,005 Shares

Jodie Sangster

Independent Non-executive Director

Experience & expertise

Jodie Sangster was trained as a lawyer and has over 17 years experience in data driven-marketing and advertising. Jodie is the CEO of the Association for Data- Driven Marketing & Advertising (ADMA). From 2005 – 2007, Jodie held the position of Chief Data Officer of Acxiom Asia Pacific, responsible for data protection throughout the Asia-Pacific region. Jodie also serves as the chair of Global DMA, an organisation that represents, supports and brings together over 30 marketing associations from around the globe. Prior to joining ADMA, Jodie held senior executive roles in sales and marketing in New York and the United Kingdom.

Qualifications

Bachelor of Laws from Kingston University and a Masters of Laws from University College London.

Special responsibilities

Remuneration and nomination committee

Interest in shares and options

16,666 Shares

Remuneration report

Letter from the Remuneration and Nomination Committee (Unaudited)

Dear Shareholders

On behalf of the Board, I am pleased to present amaysim's 2017 remuneration report.

During FY2017, the Group's strong performance was underpinned by profitable growth in mobile subscribers, disciplined cost management with underlying mobile operating expenses down 8 per cent, and a strong two-months contribution from Click.

Executive KMP earned 60% of their maximum STI opportunity for FY2017. Despite a strong financial performance throughout the financial year, Executive KMP did not realise the full STI opportunity due to stretch targets not being met.

Following the successful listing of the Company, a portion of the Awards granted to Executive KMP under the previous Employee Share Plan vested in FY2016. In FY2017 a second tranche of those Awards vested to eligible KMP. The last tranche of this legacy plan will vest in August 2017.

In FY2017, new plans have been granted to employees who became KMPs throughout the financial year.

Further detail regarding executive remuneration outcomes for 2017 is set out in the "Executive KMP Remuneration Outcomes for FY2017" section of this report, with no overall changes in the remuneration structure of KMP.

The evolution of the Group from a single Mobile business into a multi-vertical business model in FY2017 resulted in the re-definition of key roles across the organisation and corresponding changes in KMP's.

The objective of the Remuneration and Nomination Committee is to align interests of KMP to shareholders by linking financial performance to remuneration, and by attracting and retaining talents that will help the Group delivering our targets.

In FY2018 the Remuneration and Nomination Committee will again continue to monitor the Company's remuneration strategy and frameworks to ensure they continue to support the Group's growth strategy.

I look forward to the opportunity to discuss this with you at the Company's Annual General Meeting.

Andrew Reitzer
Chair - Remuneration and Nomination Committee

Remuneration report (audited)

Introduction

The Directors are pleased to present the remuneration report for the period 1 July 2016 to 30 June 2017. The Report outlines the remuneration arrangements of the Company's Key Management Personnel (KMP) who, directly or indirectly, have authority and responsibility for planning, directing and controlling the activities of the Company, being the Non-executive Directors, the Managing Director and other Senior Executives of the Company. In this report, Executive Directors and other Senior Executives are collectively referred to as 'Executive KMPs'. Non-executive Directors are referred to as specifically throughout the report.

This report forms part of the Directors' Report and has been prepared in accordance with section 300A of the Corporations Act 2001 (the Corporations Act). The information contained in this report has been audited as required by section 308 (3C) of the Corporations Act.

The key sections of this report include:

- Key Management Personnel
- Remuneration governance
- Executive remuneration structure and link to performance
- Legacy equity plans
- Executive KMP remuneration outcomes for FY2017
- Executive statutory remuneration
- Executive employment agreements
- Non-executive Director fees
- Additional required disclosures

Key Management Personnel

The table below outlines amaysim's KMP during FY2017.

Name	Position title	Term as KMP
Non-executive Directors		
Andrew Reitzer	Non-executive Chair	Full year
Maria Martin	Non-executive Director	Full year
Jodie Sangster	Non-executive Director	Full year
Thorsten Kraemer	Non-executive Director	Full year
Rolf Hansen	Non-executive Director	Full year
Peter O'Connell	Non-executive Director	Full year
Executive KMP		
Julian Ogrin	Chief Executive Officer and Managing Director	Full year
Leanne Wolski	Chief Financial Officer	Full year
Julian Dell	Chief Operating Officer	Part year —ceased KMP designation when became Chief Technology Officer on 6 February 2017
Andrew Balint	Chief Commercial Officer	Part year — ceased KMP designation following restructure on 6 February 2017
Isaac Ward	Chief Operating Officer	Part year — appointed 6 February 2017
Dominic Drenen	Click Chief Executive Officer	Part year — appointed 1 May 2017 upon acquisition of Click

Remuneration Governance

Remuneration and Nomination Committee

Prior to listing, the Board established the Remuneration and Nomination Committee (Committee). The role of the Committee is to review and make recommendations to the Board on matters relating to:

- Board and Executive KMP succession planning;
- Non-executive Director fees and the aggregate fee pool;
- Executive KMP remuneration arrangements including the Company's equity-based incentives;
- The Company's remuneration policy, and other relevant policies including recruitment, retention and termination policies;
- The annual assessment of Board and Executive KMP performance; and
- The assessment of the Board's skills, size and composition.

Further information regarding the Committee's role, responsibilities and membership can be found in the Committee's Charter, a copy of which can be found on the Company's website.

Remuneration consultants

Under the provisions of the Committee's Charter, the Committee may engage assistance and advice from external remuneration consultants. To ensure that any recommendations made by remuneration consultants are provided without undue influence being exerted by Executive KMPs, external remuneration consultants deliver their advice to the Committee without input from Executive KMPs. No remuneration recommendation was provided to the Committee in FY2017.

In prior years, the Committee has engaged external consultants such as Mercer Australia to provide executive remuneration and non-director fee market data. We note advisors were engaged regarding the executive remuneration including the STI and LTI plans, prior to listing. No executive remuneration framework advice was obtained in the 2017 financial year.

Hedging of remuneration

In accordance with provisions of the Corporations Act, all KMP and amaysim employees are prohibited from hedging unvested equity based remuneration as outlined in the Company's Remuneration Policy and Securities Trading Policy, which is available on the Company's website.

Executive remuneration policy and structure

The Company is committed to attracting and retaining the best people to work in the organisation. A key element in achieving this objective is appropriately rewarding key talent, as summarised in the accompanying diagram.

Company vision and remuneration governance

As one of Australia's leading mobile service providers, operating in a multi-vertical business model, the Group is dedicated to delivering simplicity, competitive products and a great customer experience. The Company operates an asset light, technology model with our customer value proposition centred around great value, no lock-in contracts and transparent pricing.

Our vision is to empower customers to better manage their household services. Our strategy is to leverage our key assets, being our technology and significant customer base, and grow our share of the household wallet through new products and services. The Group is able to target a broad range of the addressable markets while maintaining profitable subscriber growth and focusing on shareholder value creation.

Reward

The Company is committed to attracting and retaining the best people to work in the organisation, including senior management. The remuneration strategy focuses on:

- attracting, retaining and rewarding key executives
- driving continuous top line and earnings growth
- establishing a clear and transparent relationship between performance and remuneration
- aligning the Company's strategic objectives to the interests of its shareholders

For Executive KMPs, amaysim's remuneration strategy is supported by the company strategy of offering competitively positioned remuneration relative to the market. Additionally, the Executive KMP remuneration framework incorporates 'at risk' components (i.e., STI and LTI) with performance measures aligned to key business metrics as detailed in the sections below .

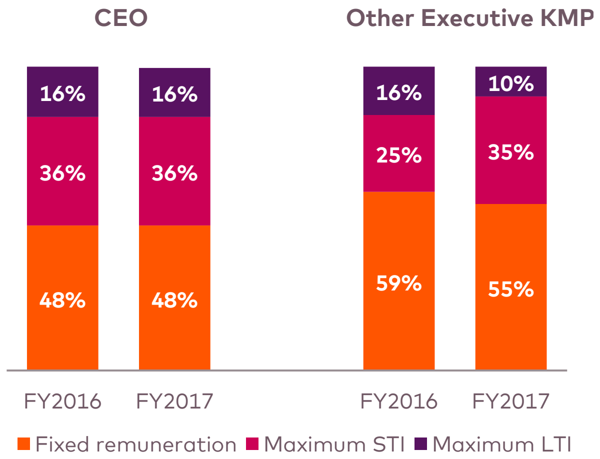
Executive KMP remuneration framework

Executive KMP remuneration consists of fixed and variable remuneration as outlined below.

Fixed component	Variable component	
Fixed remuneration	**STI**	**LTI**
Includes: • Base salary • Superannuation • Other benefits Each competitively positioned relative to the market	• Delivered as cash • Annual performance is measured relative to financial (underlying EPS) and non-financial KPIs (Net Promoter Score).	• Delivered as Options (with an exercise price set by the Board) • LTI awards vest subject to an underlying EPS growth performance and service condition • Performance is measured over a three, four and five-year performance period

Remuneration mix

The chart below outlines the maximum remuneration mix (expressed as a percentage of total maximum remuneration) for the CEO and average maximum remuneration mix for other Executive KMP (including a prior year comparison calculated on a like-for-like basis). Fixed remuneration represents the contracted amount for FY2017; STI represents the maximum opportunity for FY2017; LTI represents the maximum FY2017 opportunity with respect to LTI's issued in previous years. Other than for newly nominated KMP's, there were no new LTI's awarded in the current period. LTI plan participants will reach their first performance test date on 30 June 2018.



Fixed remuneration

Fixed remuneration includes base salary, superannuation and other non-monetary benefits (e.g. car parking) and is competitively positioned relative to the market. Factors such as industry, company size by market capitalisation and company growth profile are used to determine appropriate comparator groups. Fixed remuneration for Executive KMPs is reviewed periodically, taking into account the following factors:

- The Company's and individual's performance;
- The executive's skills and experience;
- Labour market conditions; and
- The size and complexity of the role (and Company).

The Executive KMPs remuneration has not increased since FY2016.

STI plan

The key features of amaysim's STI plan are outlined below.

STI outcomes for FY2017 are detailed in the section titled "Executive KMP Remuneration Outcomes for FY2017 this report."

Purpose	Motivate and reward Executive KMP for the achievement of annual performance targets.
Eligibility	All Executive KMPs are eligible to participate in the STI plan
STI opportunity	A maximum STI opportunity is set for each Executive KMP based on the executive's role and responsibilities. For FY2017 the CEO's maximum STI opportunity was 75% of fixed remuneration, and 50% of fixed remuneration for other Executive KMP (other than Dominic Drenen). For Dominic Drenen, maximum opportunity was 100% (but only 2-months contribution was accrued at 30 June 2017).
Performance measure and vesting schedule	Executive KMP performance is assessed against key performance indicators (KPIs) to ensure they are aligned to the Company's growth strategy and financial objectives. • **Executive KMP (other than Dominic Drenen)** KPIs for FY2017 were based on Company financial (Underlying Earnings Per Share) and customer (Net Promoter Score, NPS) performance. These KPIs were approved by the Board. Underlying Earnings Per Share (EPS) and NPS were chosen as they reflect key components of the Company's growth strategy, underlying financial performance and focus on customer satisfaction. Underlying EPS has been selected as it is a key financial metric of the business strategy, incorporates items Executive KMP can control, and allows the Board to measure operational management of the Company. NPS is measured throughout the year by an independent external firm. Four NPS surveys were conducted during the financial year, and average NPS score is calculated and used to determine performance relative to the NPS performance hurdle set at the beginning of the financial year. Each KPI operates independently and is expressed as a percentage of maximum STI. The STI award performance measures are split as follows: - EPS (80% weighting of the STI award) - NPS (20% weighting of the STI award) • **Dominic Drenen only** These targets are separate as these are linked primarily to the performance of the energy business. The STI award performance measures are split as follows: - Company Goals (50% weighting of the STI award) - Personal Goals (50% weighting of the STI award)
Performance assessment	The CEO's performance relative to annual KPIs is assessed by the Chair of the Board, in conjunction with the Remuneration and Nomination Committee. The CEO's STI award (if any) is approved by the Board. The performance of all other Executive KMP is assessed by the CEO, for recommendation to the Remuneration and Nomination Committee and approval by the Board.
Termination	Executives who cease employment prior to the end of the financial year are not entitled to an STI award, unless the Board, at its sole discretion, determines otherwise.

LTI plan

The Company's LTI plan was introduced in conjunction with the Company's listing on the ASX as disclosed in the Company's prospectus. The key features of the LTI plan are outlined below:

Purpose	The purpose of the LTI plan is to: • attract and retain executive talent; • align the interests of Executive KMPs with shareholders; and • incentivise Executive KMP to deliver sustainable long term growth and create value for shareholders.
Eligibility	All Executive KMP are eligible to participate in the LTI plan.
Form of grant	The LTI offer in FY2017 was made in the form of Options to acquire fully paid ordinary shares in the Company, with an exercise price of $1.80 for Executive KMP other than Dominic Drenen (being the offer price set out in the prospectus), and of $1.79 for Dominic Drenen (being to the VWAP used in the acquisition of Click). The Company may, at its own discretion, determine to settle the award in cash upon the exercise of the Options. Unvested LTI awards carry no rights to dividends nor voting rights.
Grant date	LTI awards were granted to Julian Ogrin and Leanne Wolski on 15 July 2015; Andrew Balint and Julian Dell on 30 October 2015; Isaac Ward on 7 February 2017; and Dominic Drenen on 1 May 2017.
LTI opportunity	For FY2017, the LTI opportunity is determined based on the responsibilities and contribution of the individual to the Group's long-term success.
Allocation	The number of options granted was determined by dividing the Executive KMP's LTI opportunity (expressed as a percentage of fixed remuneration) by the fair value per instrument, calculated using a Binomial valuation for amaysim employees. For Dominic Drenen, the number of options has been determined with reference to the legacy Click LTI Plan in place prior to the acquisition of Click.
Performance & vesting period	The LTI award is split into three tranches with performance measured over a three, four and five year performance period, as follows: • Tranche 1 (50% of LTI award): performance is measured from the date of grant to 30 June 2018 for Executive KMP (other than Dominic Drenen) and to 30 June 2020 for Dominic Drenen • Tranche 2 (25% of LTI award): performance is measured from the date of grant to 30 June 2019 for Executive KMP (other than Dominic Drenen) and to 30 June 2021 for Dominic Drenen • Tranche 3 (25% of LTI award): performance is measured from the date of grant to 30 June 2020 for Executive KMP (other than Dominic Drenen) and to 30 June 2022 for Dominic Drenen
Performance measures & vesting schedule	• **Executive KMP (other than Dominic Drenen)** Vesting of LTI awards is subject to the achievement of an underlying EPS compound annual growth rate (EPS CAGR) target over three, four and five year performance periods, and continued employment with the Group. The EPS CAGR target for each performance period is determined by the Board from time to time. The Board believes EPS is an appropriate long-term performance measure as it reflects sustainable long-term growth and shareholder returns over the performance periods. Underlying EPS has been selected as it is a key financial metric of the business strategy, measures business performance within the reasonable control of Executive KMPs and aligns Executive KMP interests with long-term shareholder value creation. The percentage of each tranche of the LTI award that may vest is outlined in the table below.

EPS CAGR over the performance period	Vesting %
Less than 80% of target EPS CAGR	Nil
Equal to 80% of target EPS CAGR	50%
Between 80% and 100% of target EPS CAGR	Straight line vesting between 50% and 75%
Equal to 100% of target EPS CAGR	75%
Between 100% and 125% of target EPS CAGR	Straight line vesting between 75% and 100%
Equal to or greater than 125% of target EPS CAGR	100%

If an EPS performance condition is not met, the relevant tranche of the LTI award will lapse and will not be re-tested at a later date.

• **Dominic Drenen**

Vesting of LTI awards is subject to the achievement of:

- specific EBITDA Target for Click inclusive of post-acquisition cost synergies in FY2018; and

- underlying Group EPS compound annual growth rate (EPS CAGR) targets over each performance periods, for FY19 and FY20

and continued employment with the Group.

The percentage of each tranche of the LTI award that may vest is outlined in the table below.

Tranche 1 — Click EBITDA in FY2018	Vesting %
Equal to 100% of target EBITDA	100%
Equal to 90% of target EBITDA	90%

Tranches 2 & 3 - EPS CAGR over the performance period	Vesting %
Less than 80% of target EPS CAGR	Nil
Equal to 80% of target EPS CAGR	50%
Between 80% and 100% of target EPS CAGR	Straight line vesting between 50% and 75%
Equal to 100% of target EPS CAGR	75%
Between 100% and 125% of target EPS CAGR	Straight line vesting between 75% and 100%
Equal to or greater than 125% of target EPS CAGR	100%

Termination & forfeiture	In the event of resignation or dismissal (for cause) all unvested LTI awards will lapse on cessation of employment, unless the Board in its absolute discretion determines otherwise. In all other instances, a pro-rata portion based on time served of the unvested LTI award will remain on foot. The performance and vesting conditions (except for the continuous employment condition) will continue to apply to the pro-rated unvested Options. Any unvested LTI awards will lapse if in the opinion of the Directors, a participant has acted fraudulently or dishonestly.
Change of control	The Board may, in its absolute discretion, determine that all, a part of, or no unvested LTI awards will vest.

Executive KMP remuneration outcomes for FY2017

This section provides a summary of the key financial results for the Group, and also how these results have been reflected in Executive KMP remuneration for FY2017.

Group's financial performance

The table below sets out the Group's financial performance for FY2017:

Financial measure[1]	FY2017 ($'000 unless stated)	FY2016 ($'000 unless stated)
Statutory Net Revenue	$326,680	$253,537
Underlying EBITDA	$43,542	$35,443
Underlying NPAT	$21,185	$19,926
Underlying NPAT Growth	6%	108.7%
Underlying EPS	11.3c	11.3c
Dividends paid during FY2017 (FY2016)	$17,149	$5,351
Share price at listing (15 July 2015)	$1.80	$1.80
Share price at 30 June	$1.56	$1.67

1. Refer to Financial Performance and Additional Financial Performance Information for definition of financial measures.

STI outcomes

KPIs are set in respect of each financial year, and are objective and measurable. The performance of each Executive KMP against their FY2017 KPIs is set out below:

Executive KMP	FY2017 KPIs	Maximum STI as a % of fixed remuneration	Awarded STI as a % of maximum STI	Forfeited STI as a % of maximum STI	Actual STI[1]
Julian Ogrin	Underlying EPS (80%) NPS (20%)	75%	60%	40%	$292,500
Leanne Wolski	Underlying EPS (80%) NPS (20%)	50%	60%	40%	$120,000
Julian Dell[2]	Underlying EPS (80%) NPS (20%)	50%	60%	40%	$53,839
Andrew Balint[2]	Underlying EPS (80%) NPS (20%)	50%	60%	40%	$56,250
Isaac Ward[3]	Underlying EPS (80%) NPS (20%)	50%	60%	40%	$31,990
Dominic Drenen[4]	Click corporate goals (50%) Personal goals (50%)	100%	90%	10%	$60,164

1. STI accrued and approved by the Board of Directors at 30 June 2017.
2. Julian Dell and Andrew Balint ceased to be KMP from 6 February 2017, when the Company announced structural changes to align the Company multi-vertical's strategy to the Group's structure.
3. Isaac Ward became a KMP from 6 February 2017, taking over the role of Chief Operating Officer.
4. Dominic Drenen became a KMP from 1 May 2017 upon completion of the acquisition of Click.

LTI outcomes

The first tranche of Share Rights awarded under the legacy ESP vested on listing and the second tranche vested in August 2016; the third and final tranche will vest in August 2017, after release of the Company's results. The number of Share Rights which vested is set out in the table titled "Legacy Equity Plans". No awards to KMPs under the LTI plan vested in FY2017. Tranches 2 and 3 granted to Andrew Balint were forfeited as he ceased his employment with the Company during FY2017.

Executive KMP statutory remuneration

The following table shows the accounting expense of remuneration received by Executive KMP during FY2017 with FY2016 comparatives. The information presented below has been prepared in accordance with Australian Accounting Standards.

Executive KMP	Year	Short-term employee benefits			Post-employment benefits	Other long term benefits	Share-based payments		
		Salary & fees[1] ($)	Cash bonus[2] ($)	Non- monetary benefits ($) [3]	Superannuation ($)	Accrued Long Service Leave ($)	Rights ($)	Options ($)	Total remuneration ($)
Julian Ogrin									
Chief Executive Officer and Executive Director	**2017**	**678,292**	**292,500**	**35,476**	**19,616**	**8,293**	**116,053**	**224,692**	**1,374,922**
	2016	630,731	292,500	30,932	19,308	7,129	262,290	219,152	1,463,042
Leanne Wolski									
Chief Financial Officer	**2017**	**442,534**	**120,000**	**8,590**	**19,616**	**17,217**	**5,423**	**100,823**	**714,203**
	2016	405,181	120,000	5,380	19,308	11,277	11,892	98,337	671,375
Julian Dell[4]									
Chief Operating Officer	**2017**	**168,125**	**53,839**	**18,665**	**12,424**	-	**3,339**	**75,812**	**332,204**
	2016	193,080	38,170	24,429	8,188	3,355	8,116	84,718	361,056
Andrew Balint[4]									
Chief Operation Officer	**2017**	**212,991**	**56,250**	**4,844**	**12,995**	-	**3,379**	**90,221**	**380,680**
	2016	270,202	79,521	3,250	9,853	4,207	8,214	105,898	481,145
Isaac Ward[5]									
Chief Operating Officer	**2017**	**157,860**	**31,990**	**3,253**	**7,332**	**634**	-	**64,501**	**265,570**
	2016	-	-	-	-	-	-	-	-
Dominic Drenen[5]									
Chief Executive Officer — Click	**2017**	**98,552**	**60,164**	**1,427**	**3,772**	**29,202**	-	**34,228**	**227,345**
	2016	-	-	-	-	-	-	-	-
Total	**2017**	**1,758,354**	**614,743**	**72,255**	**75,755**	**55,346**	**128,194**	**590,277**	**3,294,924**
Total	2016	1,499,194	530,191	63,991	56,657	25,968	291,512	508,105	2,975,618

1. Salary & fees include annual leave accrual.
2. Cash bonus accrued and approved by the Board of Directors at 30 June 2017
3. Non-cash benefits outlined in the table above include packaged items and other non-cash benefits, including fringe benefits.
4. Remuneration for Julian Dell and Andrew Balint is included until the time they each ceased being a KMP (i.e. on 6 February 2017).
5. Remuneration for Isaac Ward and Dominic Drenen is for the period they were Executive KMP (i.e from 6 February 2017 and 1 May 2017 respectively).

Executive employment agreements

Each Executive KMP has an ongoing (i.e. no fixed term) employment agreement with the Company which sets out each Executive KMP's remuneration, termination, confidentiality, restraint period and other terms. The key terms of employment for Executive KMP are summarised below.

Term	Group CEO	Other Executive KMP
Length of agreement	Ongoing, no fixed term	Ongoing, no fixed term
Notice period (by Executive KMP)	12 months	6 months (12 months applied in respect of Dominic Drenen)
Notice period (by the Company)	12 months	6 months (12 months applied in respect of Dominic Drenen)
Termination payments	12 months' fixed remuneration in lieu of notice. Treatment of STI and unvested LTI awards on termination is outlined in the "Remuneration framework and structure" section above.	6 months' fixed remuneration in lieu of notice. Treatment of STI and unvested LTI awards on termination is outlined in the "Remuneration framework and structure" section above. In respect of Dominic Drenen – 12 months' fixed remuneration in lieu of notice. Treatment of STI and unvested LTI awards on termination is outlined in the "Remuneration framework and structure" section above

Non-executive Director fees

Fee policy and structure

Non-executive Directors receive fees for their services to the Company, which reflect the demands and responsibilities of the role. Non-executive Director fees are reviewed by the Committee to ensure they are appropriate and in line with the market.

Non-executive Director fees consist of base fees and other fees for chairing on Board Committees (inclusive of statutory superannuation contributions). The Chair of the Group receives an overall fee that is inclusive of base fees, Board Committee fees and statutory superannuation contributions.

Non-executive Directors do not receive incentive or performance-based remuneration, nor are they entitled to retirement or termination benefits. Non-executive Directors may be reimbursed for expenses reasonably incurred in performing their duties as a Director.

The table below summarises the Board and Committee fees (inclusive of superannuation contributions) for FY2017.

Board and Committee fees	FY2017
Non-executive Chairman	$200,000
Non-executive Director	$100,000
Audit & Risk Management Committee Chair	$22,500

The current maximum aggregate Non-executive Director fee pool is $1,400,000. The Board will not seek an increase to the aggregate Non-executive Director fee pool at the 2017 Annual General Meeting.

Non-executive Director fees

The following table shows the fees received by Non-executive Directors in FY2017 with FY2016 comparatives. The information presented below has been prepared in accordance with Australian Accounting Standards.

Non-executive Director	Year	Short-term benefits		Post-employment benefits	Total ($)
		Board & Committee fees ($)	Non-monetary benefits ($)	Superannuation ($)	
Andrew Reitzer					
Non-executive Chair	**2017**	**182,648**	**-**	**17,352**	**200,000**
	2016	182,648	-	17,352	200,000
Maria Martin					
Non-executive Director	**2017**	**111,942**	**-**	**10,558**	**122,500**
	2016	111,872	-	10,628	122,500
Jodie Sangster					
Non-executive Director	**2017**	**91,324**	**-**	**8,676**	**100,000**
	2016	91,324	-	8,676	100,000
Thorsten Kraemer					
Non-executive Director	**2017**	**100,000**	**-**	**-**	**100,000**
	2016	100,000	-	-	100,000
Rolf Hansen					
Non-executive Director	**2017**	**91,324**	**-**	**8,676**	**100,000**
	2016	91,324	1,867	8,676	101,867
Peter O'Connell					
Non-executive Director	**2017**	**91,324**	**-**	**8,676**	**100,000**
	2016	91,324	7,752	8,676	107,752
Total	**2017**	**668,562**	-	**53,938**	**722,500**
Total	2016	668,492	9,619	54,008	732,119

LTI awards

The table below sets out the number of Options granted to Executive KMP in FY2016 and during FY2017. Details of the performance conditions are set out in the LTI section above in this Report.

Executive KMP	Tranche	Grant date	Fair value per Option at grant date	Number of Options granted	Fair value at grant date	Exercise price per Option	Vesting/ first exercise date	Expiry date
Julian Ogrin	1	15 July 2015	$0.40	975,000	$390,000	$1.80	30 June 2018	30 June 2020
	2	15 July 2015	$0.42	487,500	$204,750	$1.80	30 June 2019	30 June 2021
	3	15 July 2015	$0.43	487,500	$209,625	$1.80	30 June 2020	30 June 2022
Total				**1,950,000**	**$804,375**			
Leanne Wolski	1	15 July 2015	$0.40	437,500	$175,000	$1.80	30 June 2018	30 June 2020
	2	15 July 2015	$0.42	218,750	$91,875	$1.80	30 June 2019	30 June 2021
	3	15 July 2015	$0.43	218,750	$94,063	$1.80	30 June 2020	30 June 2022
Total				**875,000**	**$360,938**			
Andrew Balint[1]	1	30 October 2015	$0.83	309,295	$256,715	$1.80	30 June 2018	30 June 2020
	2	30 October 2015	$0.83	154,647	$128,357	$1.80	Forfeited	Forfeited
	3	30 October 2015	$0.83	154,647	$128,357	$1.80	Forfeited	Forfeited
Total				**618,589**	**$513,429**			
Julian Dell	1	30 October 2015	$0.83	247,035	$205,039	$1.80	30 June 2018	30 June 2020
	2	30 October 2015	$0.83	123,518	$102,520	$1.80	30 June 2019	30 June 2021
	3	30 October 2015	$0.83	123,518	$102,520	$1.80	30 June 2020	30 June 2022
Total				**494,071**	**$410,079**			
Isaac Ward	1	7 February 2017	$0.49	312,596	$153,172	$1.80	30 June 2018	30 June 2020
	2	7 February 2017	$0.49	156,297	$76,586	$1.80	30 June 2019	30 June 2021
	3	7 February 2017	$0.49	156,297	$76,586	$1.80	30 June 2020	30 June 2022
Total				**625,190**	**$306,344**			
Dominic Drenen	1	1 May 2017	$0.44	799,297	$351,691	$1.79	1 July 2020	1 July 2022
	2	1 May 2017	$0.44	399,649	$175,846	$1.79	1 July 2020	1 July 2022
	3	1 May 2017	$0.44	399,649	$175,846	$1.79	1 July 2020	1 July 2022
Total				**1,598,595**	**$703,383**			

1. Andrew Balint ceased employment on 30 April 2017. As a result, his tranches 2 & 3 options have been forfeited.

Legacy equity plans

Prior to the Company's listing, Executive KMP participated in the Employee Share Plan (ESP). Details of the ESP were disclosed in the Company's prospectus. The ESP has been effectively replaced by the LTI plan described in the "LTI Plan" section above and no further grants will be made under the ESP.

The section below Additional Required Disclosures sets out the number of Share Rights that vested during FY2017, and the number of Share Rights held by Executive KMP at 30 June 2017. No Share Rights lapsed during FY2017.

Eligibility	All Executive KMP who were employed by the Company at the time of the IPO are eligible to participate in the ESP plan. Consequently, Isaac Ward and Dominic Drenen are not eligible under the ESP plan.
Form of grant	The ESP offer was made prior to the Company's listing, in the form of Rights to acquire fully paid ordinary shares in the Company. The Company may determine to settle the award in cash upon the exercise of the Share Rights. Unvested ESP awards carry no rights to dividends nor voting rights.
Grant date	The dates that the ESP awards were granted to Executive KMP are outlined in the table below.
ESP opportunity	The ESP opportunity is determined based on the responsibilities and contribution of the individual to amaysim's long-term success. The minimum value of the grant is nil if the service conditions are not met. The maximum value is based on the estimated fair value calculated at the time of the grant and amortised in accordance with the accounting standard requirements, as set out in the table below.

Executive KMP	Date of grant	Value of Rights yet to vest
Julian Ogrin	11/06/2013	431,005
Leanne Wolski	13/06/2012	25,118
Total		**456,123**

Allocation	The number of instruments granted was determined by dividing the Executive KMP's ESP opportunity (expressed as a percentage of fixed remuneration) by the privately held share price at the date of grant.
Service conditions & vesting period	The Legacy award is split into three tranches as follows: • Tranche 1 (33% of ESP award): measured from the date of grant to the date of listing (15 July 2015) • Tranche 2 (33% of ESP award): measured from the date of grant to 30 June 2016 • Tranche 3 (33% of ESP award): measured from the date of grant to 30 June 2017 Vesting of ESP awards is subject to a service condition (continuing employment with the Company).
Termination & forfeiture	Any unvested Rights will lapse when a participant ceases to be employed by amaysim (except under certain qualifying conditions (i.e. death, disability, retirement or redundancy), in which case unvested Rights will automatically vest into Shares). In addition, the Board may, in its absolute discretion, determine that all, or part of, unvested awards will vest if a participant ceased to be employed by the Company.
Change of control	The Board may, in its absolute discretion, determine that all, a part of, or no unvested awards will vest.

Additional required disclosures

Shareholdings of key management personnel

KMP	Balance at 1 July 2016	Acquired	Granted as remuneration	Disposed	Net change	Balance at 30 June 2017
Non-executive Directors						
Andrew Reitzer	83,333	–	–	–	–	83,333
Maria Martin	16,666	–	–	–	–	16,666
Jodie Sangster	16,666	–	–	–	–	16,666
Thorsten Kraemer	1,450,000	–	–	–	–	1,450,000
Peter O'Connell	7,734,010	–	–	(4,167,005)	(4,167,005)	3,567,005
Rolf Hansen	7,734,010	–	–	(3,867,000)	(3,867,000)	3,867,010
Total	**17,034,685**	–	**–**	**8,034,005**	**8,034,005**	**9,000,680**
Executive KMP						
Julian Ogrin	–	–	833,605	(833,605)	–	–
Leanne Wolski	255,709	_	116,822	–	116,822	372,531
Julian Dell	12,810	–	112,810	_	112,810	125,620
Andrew Balint	114,164	–	114,163	(228,327)	(114,164)	_
Isaac Ward	–	–	–	–	–	–
Dominic Drenen	–	–	–	–	–	–
Total	**382,683**	–	**1,177,400**	**(1,061,932)**	**115,468**	**498,151**

Share rights holdings of key management personnel

No Non-executive Director holds any Share Rights.

Executive KMP	Balance at 1 July 2016	Granted as remuneration	Rights vested	Rights forfeited/ lapsed	Balance at 30 June 2017
Julian Ogrin	1,667,210	–	(833,605)	–	833,605
Leanne Wolski	233,644	–	(116,822)	–	116,822
Julian Dell *	225,620	–	(112,810)	–	112,810
Andrew Balint *	228,326	–	(114,163)	–	114,163
Total	**2,354,800**	**–**	**(1,177,400)**	**–**	**1,177,400**

* This table reflects movement in share rights during the year including for Julian Dell and Andrew Balint who are not KMP at 30 June 2017.

Option Holdings of Key Management Personnel

No Non-executive Director holds any Options.

Executive KMP	Balance at 1 July 2016	Granted as remuneration	Options exercised	Options forfeited/ expired	Balance at 30 June 2017
Julian Ogrin	1,950,000	–	–	–	1,950,000
Leanne Wolski	875,000	–	–	–	875,000
Andrew Balint	618,589	–	–	(309,294)	309,295
Julian Dell	494,071	–	–	–	494,071
Isaac Ward	-	625,190	–	–	625,190
Dominic Drenen	-	1,598,595	–	–	1,598,595
Total	**3,937,660**	**2,223,785**	–	**(309,294)**	**5,852,151**

* This table reflects movement in options during the year including for Julian Dell and Andrew Balint who are not KMP at 30 June 2017.

Loans and other transactions with KMP

There were no loans or other transactions with KMP or their related parties during 2017. This concludes the remuneration report, which has been audited.

This concludes the remuneration report, which has been audited.

The following section does not form part of the remuneration report.

Unissued shares

(a) Long term incentive plan (LTIP)
At the date of this report, amaysim had 7,644,419 LTIP rights that could convert to 7,644,419 ordinary shares in the Company.
For further details of the long term incentive plan, refer to Note 30(a) of this financial report.

(b) Employee share plan rights
At the date of this report, amaysim had 13,366 employee share rights outstanding that could convert to 1,938,071 ordinary shares in amaysim Australia Limited.
For further details of the employee share plan rights, refer to Note 30(b) of this financial report.

Issued shares

During the financial year and up to the date of this report, 16,403 employee share plan rights converted to 2,378,483 ordinary shares in the Company.

Indemnification and insurance of officers

The Group indemnifies, to the extent permitted by law, all officers of the Group, (including the directors), for any liability (including the costs and expenses of defending actions for an actual or alleged liability) incurred in their capacity as an officer of the Group.

This indemnity is not extended to current or former employees of the Group against liability incurred in their capacity as an employee unless approved by the board of amaysim Australia Limited. During or since the end of the financial year, no such indemnities have been provided.

During the financial year, the Group agreed to insure all the officers of the Group against certain liabilities as permitted by the Corporations Act. The insurance policy prohibits disclosure of the nature of the cover, the amount of the premium, the limit of liability and other terms.

During the financial year amaysim paid premiums in respect of a contract insuring all the directors against costs incurred in defending proceedings for conduct involving: a wilful breach of duty or a contravention of Sections 182 or 183 of the Corporations Act 2001 as permitted by Section 199B of the Corporations Act.

Proceedings on behalf of the Group

No application has been made under section 237 of the Corporations Act in respect of the Group and no proceedings have been brought or intervened in on behalf of the group under that section.

Corporate governance

The Company and the board are committed to achieving and demonstrating the highest standards of corporate governance. amaysim Australia Limited has reviewed its corporate governance practices against the Corporate Governance Principles and Recommendations (3rd edition) published by the ASX Corporate Governance Council. The Company's current corporate governance statement, which applies post listing 15 July 2015 is available on the Group's website.

Remuneration report — audited

Information on the Company's remuneration framework and the outcomes for FY2017 for the Board, the CEO and other Executive KMP, is included in the Remuneration Report set out in this report.

Non-audit services

The Company may decide to employ the Group's auditors on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company and/or the Group are important.

During the year the following fees were paid or payable for non-audit services provided by the auditor of the parent entity and its related practices:

	Consolidated entity Year ended 30 June	
	2017 $	2016 $
Other assurance services	-	–
Total remuneration for other assurance services		–
Taxation services	-	
Total remuneration for taxation services		–
Other services		
PricewaterhouseCoopers firm:		
Tax advice and due diligence services	**393,842**	400,600
Control and business processes	**241,912**	–
Risk services	**61,200**	
Audit of regulatory services	**30,000**	
Accounting advice	**85,000**	
Total remuneration for other services	**811,954**	400,600
Total remuneration for non-audit services	**811,954**	400,600

Directors' declaration on satisfaction with independence of auditor

The board of directors has considered the position and, in accordance with advice received from the Audit and Risk Management Committee, is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The directors are satisfied that the provision of non-audit services by the auditor, as set out below, did not compromise the auditor independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed by the audit committee to ensure they do not impact the impartiality and objectivity of the auditor.
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants.

Fees paid to the external auditor, including a breakdown of fees for non-audit services, are reported in Note 31 to the financial statements.

As noted in the corporate governance statement published on amaysim's website, a component of the audit and risk management committee's role is the appointment of the external auditor and overseeing the independence of the external auditor. PricewaterhouseCoopers was appointed as external auditor by the shareholders in for the year ended 30 June 2011. Mr Sumanth Prakash was appointed as the company's lead audit engagement partner for the year ended 30 June 2012. The Corporations Act requires the rotation of the lead audit partner of a company at least every five years. This means that, in the ordinary course, Mr Prakash would have been rotated and been replaced with another audit engagement partner at the conclusion of the 2016 reporting season. However, in February 2016 and in February 2017, the Audit and Risk Management Committee and Board considered the impact of the rotation of Mr Prakash at the conclusion of the 2016 and 2017 reporting seasons. The Audit and Risk Management Committee and Board resolved that it believed that compliance with the rotation requirements for the 2017 and 2018 years would impose an unreasonable burden on the Company.

In providing this approval the Audit and Risk Management Committee and Board were satisfied that the extension:

- was consistent with maintaining the quality of the audit provided to the Company; and
- would not give rise to a conflict of interest situation (as defined in the Corporations Act) and, thereby, impair Mr Prakash's independence.

In particular, in relation to audit quality, the board noted that, amongst other things:

- the Company had undergone substantial change over the past five years and the Company will undergo further significant transformation and increased complexity in the next two to five years.
- As such, the Board and Audit and Risk Management Committee considered that while the Company continued its transformation activities, it was important that the detailed knowledge and understanding that Mr Prakash had built up in relation to amaysim and its industry over the past five years is retained to ensure the quality of the audit of amaysim for shareholders over the coming years.

The Audit and Risk Management Committee was satisfied that the approval would not give rise to a conflict of interest situation because:

- management and the Audit and Risk Management Committee were not aware of any such conflicts in relation to PricewaterhouseCoopers or Mr Prakash and did not believe that the extension of his term would give rise to any such conflicts; and
- the Company has in place a detailed governance framework to ensure that such conflicts do not arise.

Accordingly, the Company sought and obtained a declaration from the Australian Securities and Investments Commission under section 342A of the Corporations Act to extend the term of Mr Prakash for additional years.

This allowed Mr Prakash to remain as lead auditor for the financial years ending 30 June 2017 and 30 June 2018.

As required by the Corporations Act 2001 the external auditor is required to provide an annual declaration of their independence to the Directors, which is included on the following page.

Auditor

PricewaterhouseCoopers continues in office in accordance with section 327 of the Corporations Act 2001.

Rounding of amounts

The amounts contained in this report and in the financial report have been rounded under the option available to the Group under ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191. The Group is an entity to which the Class Order applies, and in accordance with the Class Order, amounts in the directors' report and the financial report have been rounded to the nearest thousand dollars (where rounding is appropriate), or in certain cases, to the nearest dollar.

This report is signed in accordance with a resolution of directors:

Andrew Reitzer
Director
Sydney

Julian Ogrin
Director
Sydney

28 August 2017

Auditors Declaration

pwc

Auditor's Independence Declaration

As lead auditor for the audit of amaysim Australia Limited for the year ended 30 June 2017, I declare that to the best of my knowledge and belief, there have been:

(a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of amaysim Australia Limited and the entities it controlled during the period.

S Prakash
Partner
PricewaterhouseCoopers

Sydney
28 August 2017

PricewaterhouseCoopers, ABN 52 780 433 757
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T: +61 2 8266 0000, F: +61 2 8266 9999, www.pwc.com.au

Financial Report

Consolidated statement of comprehensive income

for the year ended 30 June 2017

	Notes	2017 $'000	2016 $'000
Revenue and other income			
Service revenue		**314,268**	241,890
Other revenue		**12,412**	11,647
Other income		**2,032**	-
Interest income		**155**	488
Total revenue and other income	3	**328,867**	254,025
Expenses			
Network related expenses		**(227,607)**	(168,089)
Employee expenses		**(25,930)**	(22,020)
Marketing expenses		**(9,179)**	(12,466)
IT and facilities expenses	4	**(8,546)**	(7,506)
Depreciation and amortisation expenses	4	**(9,503)**	(5,319)
Finance expenses	5	**(3,421)**	(1,755)
IPO expenses		**-**	(8,633)
Acquisition expenses		**(8,828)**	(1,734)
Other expenses		**(14,780)**	(8,013)
Total expenses		**(307,794)**	(235,535)
Profit before income tax		**21,072**	18,490
Income tax expense	6	**(9,560)**	(6,184)
Profit after tax		**11,512**	12,306
Profit attributable to members of amaysim Australia Ltd		**11,512**	12,306
Other comprehensive income for the year net of tax		**5,157**	-
Items that may subsequently reclassify to profit or loss		**5,157**	-
Total comprehensive income for the year attributable to members of amaysim Australia Ltd		**16,669**	12,306

Earnings per share		Cents	Cents
Basic earnings per share	8	**6.1**	6.9
Diluted earnings per share	8	**5.9**	6.6

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

Consolidated balance sheet

as at 30 June 2017

	Notes	2017 $'000	2016 $'000
CURRENT ASSETS			
Cash and cash equivalents	9	**18,068**	13,388
Trade receivables	10	**43,837**	9,080
Derivative financial instruments	24(a)	**7,573**	-
Other current assets	11	**6,190**	1,036
Total current assets	1(a)(iv)	**75,668**	23,504
NON-CURRENT ASSETS			
Property, plant and equipment	15	**3,077**	1,018
Intangible assets	16	**209,664**	76,711
Deferred tax assets	18	**-**	1,399
Derivative financial instruments	24(a)	**3,258**	-
Other non-current assets	19	**874**	13,903
Total non-current assets		**216,873**	93,031
TOTAL ASSETS		**292,541**	116,535
CURRENT LIABILITIES			
Trade and other payables	12	**82,755**	55,752
Customer deposits		**3,177**	3,324
Deferred revenue		**9,870**	7,449
Borrowings	13	**13,604**	-
Provisions	20	**6,235**	2,591
Current tax liabilities		**10,104**	707
Total current liabilities	1(a)(iv)	**125,745**	69,823
NON-CURRENT LIABILITIES			
Borrowings	13	**82,558**	-
Provisions	20	**3,071**	759
Other liabilities	21	**-**	13,642
Deferred tax liabilities	18	**4,931**	-
Total non-current liabilities		**90,560**	14,401
TOTAL LIABILITIES		**216,305**	84,224
NET ASSETS		**76,236**	32,311
EQUITY			
Contributed equity	22(a)	**114,733**	62,538
Equity compensation reserve	22(b)	**(5,010)**	2,780
Cashflow hedge reserve	22(c)	**5,405**	-
Foreign currency translation reserve	22(d)	**(248)**	-
Retained profits	22(e)	**25,327**	30,964
Accumulated losses (prior years)		**(63,971)**	(63,971)
TOTAL EQUITY		**76,236**	**32,311**

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

Consolidated statement of changes in equity

for the year ended 30 June 2017

	Notes	Contributed equity $'000	Equity compensation reserve $'000	Cash flow hedge reserve $'000	Foreign currency translation reserve $'000	Retained earnings/ (Accumulated losses) $'000	Total $'000
				Attributable to owners of amaysim Australia Limited			
Balance at 1 July 2015		35,521	1,829	-	-	(39,962)	(2,612)
Profit after tax for the year		-	-	-	-	12,306	12,306
Total comprehensive income for the year		-	-	-	-	**12,306**	**12,306**
Transactions with owners in their capacity as owners:							
Contributions of equity, net of transaction costs and tax	22(a)	12,561	-	-	-	–	12,561
Issue of ordinary shares as consideration for a business combination		14,456	-	-	-	–	14,456
Dividends paid	7	-	-	-	-	(5,351)	(5,351)
Share based payments	22(b)	-	951	-	-	-	951
		27,017	951	-	-	(5,351)	22,617
Balance at 30 June 2016		**62,538**	**2,780**	-	-	**(33,007)**	**32,311**
Balance at 1 July 2016		62,538	2,780	-	-	(33,007)	32,311
Profit after tax for the year		-	-	-	-	11,512	11,512
Other comprehensive income	22(c), 22(d)	-	-	5,405	(248)	-	5,157
Total comprehensive income for the year		-	-	**5,405**	**(248)**	**11,512**	**16,669**
Transactions with owners in their capacity as owners:							
Issue of ordinary shares as consideration for a business combination	17, 22(a)	43,308	-	-	-	-	43,308
Dividends paid	7	-	-	-	-	(17,149)	(17,149)
Share based payments	22(b)	-	1,097	-	-	-	1,097
Fair value of shares issued	22(b)	8,887	(8,887)	-	-	-	-
Balance at 30 June 2017		**114,733**	**(5,010)**	**5,405**	**(248)**	**(38,644)**	**76,236**

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

Consolidated statement of cash flows

for the year ended 30 June 2017

	Notes	2017 $'000	2016 $'000
Cash flows from operating activities			
Receipts from customers (incl. of GST)		**355,866**	279,309
Payments to suppliers and employees (incl. of GST)		**(317,250)**	(245,226)
Repayment of Optus activation fee liability on debt restructure		**(13,358)**	-
Repayment of Optus liability acquired on Vaya acquisition		**(20,347)**	(17,782)
Income taxes paid		**(2,895)**	-
Finance expenses		**(365)**	(44)
Interest received		**155**	487
Net cash inflows from operating activities	23(b)	**1,806**	16,744
Cash flows from investing activities			
Payments for acquisition of subsidiary net of cash acquired	17 (d)	**(79,760)**	(5,008)
Payments for property, plant and equipment		**(2,592)**	(663)
Proceeds from sale of investments		**2,051**	-
Payments for intangible assets		**(8,867)**	(4,091)
(Increase) / Decrease in security deposits and bank guarantees		**13,029**	(5,674)
Net cash outflows from investing activities		**(76,139)**	(15,436)
Cash flows from financing activities			
Proceeds from IPO		**-**	12,880
Dividends paid	7	**(17,149)**	(5,351)
Payments for IPO expenses		**-**	(10,470)
Proceeds from borrowing	13	**100,000**	-
Payments of capitalised transaction costs	13	**(3,838)**	-
Net cash inflows/ (outflows) from financing activities		**79,013**	(2,941)
Net increase/(decrease) in cash and cash equivalents		**4,680**	(1,633)
Cash and cash equivalents at the beginning of the financial year		**13,388**	15,021
Cash and cash equivalents at end of year		**18,068**	13,388

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

Notes to the consolidated financial statements

for the year ended 30 June 2017

1 Summary of significant accounting policies

This note provides a list of the significant accounting policies adopted by the Group in the preparation of these consolidated financial statements for the financial year ended 30 June 2017.

(a) Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and interpretations issued by the Australian Accounting Standards Board and the Corporations Act 2001 as appropriate for profit-orientated entities. amaysim Australia Limited is a company limited by shares, incorporated and domiciled in Australia.

The financial statements were authorised for issue by the directors on 28 August 2017. The directors have the power to amend and reissue the financial statements.

(i) Compliance with IFRS

The consolidated financial statements of the amaysim Australia Limited Group comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

(ii) Historical cost convention

The financial report is prepared in accordance with the historical cost convention. Unless otherwise stated, the accounting policies adopted are consistent with those of the previous year.

(iii) New and amended standards adopted by the Group

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2017 reporting periods and have not been early adopted by the Group. The Group's assessment of the impact of these new standards and interpretations is that they either do not apply to the Group or if they do apply will not materially impact the financial reports as outlined below:

Title of the standard	Nature of the change	Impact	Mandatory application date
AASB 9 Financial Instruments	AASB 9 addresses the classification, measurement and derecognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets.	The Group expects the following impacts on adoption of AASB9: i. Classification and measurement: Based on assessment of the Group's balance sheet as at 30 June 2017, adoption is unlikely to have a material impact on the classification of either financial assets or financial liabilities. ii. Hedge relationships: The new requirements introduce a new hedge accounting model to simplify hedge accounting outcomes and aligns hedge accounting with risk management objectives. • Hedge relationship are eligible for hedge accounting and the Group is reviewing potential options to expand its hedging relationships. • Existing hedge relationships should continue to qualify as effective hedge relationships upon adoption of the new standard. iii. Impairment: The new requirements introduce a new impairment model to financial assets and move provisioning from an incurred to an expected loss model. The model will need to be applied to the Group's trade receivables. Currently, allowances for doubtful receivables are recognised by assessing each receivable balance for collectability based on an analysis of various historical factors. Under the new standard, these allowances will also be required to reflect both current and forecast credit conditions. Adoption is likely to result in the earlier recognition of credit loss provisions. The Company expects to take advantage of transitional provisions which may allow the increase in credit loss provisions to be recognized directly in equity.	Mandatory for financial years commencing on or after 1 January 2018. Expected date of adoption by the Group: 1 July 2018.

Title of the standard	Nature of the change	Impact	Mandatory application date
AASB 15 Revenue from Contracts with Customers	The AASB has issued a new standard for the recognition of revenue. This will replace AASB 118 which covers revenue arising from the sale of goods and the rendering of services and AASB 111 which covers construction contracts. The new standard is based on the principle that revenue is recognised when control of a good or service transfers to a customer. The standard permits either a full retrospective or a modified retrospective approach for the adoption.	Management is currently assessing the effects of applying the new standard on the Group's financial statements and has identified the following areas that are likely to impact the revenue recognition: Service revenue from mobile services: i. Variable consideration arising from: • promotions and goodwill credits given to customers; and • breakage, or likelihood of unexercised rights (e.g. expired credit) will need to be considered whilst determining the initial transaction price. ii. Commissions paid to retailers will be considered as acquisition costs, or "costs to obtain a contract". These should be capitalised and depreciated over the customers' life. iii. Determination of separate performance obligation in a customer contract is currently largely consistent with the current accounting policy. However, recognition of revenue components for unlimited plans will differ from current practice. Service revenue from Broadband services: i. Some of the contracts with customers for broadband services include activation and installation costs. Recognition of these components may differ from current practice. Service revenue from Energy Services: i. The impact of AASB15 on Energy Services is yet to be determined however it is expected that there will be limited impact. At this stage, the Group is not able to make reasonable quantitative estimate the effects of the new standard on the financial statements.	Mandatory for financial years commencing on or after 1 January 2018. Expected date of adoption by the Group: 1 July 2018.
AASB 16 Leases	AASB 16 was issued in February 2016. It will result in almost all leases being recognised on the balance sheet, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short–term and low–value leases.	The standard will affect primarily the accounting for the Group's operating leases. As at the reporting date, the Group has operating lease commitments of $7,736k. However, the Group has not yet determined to what extent these commitments will result in the recognition of an asset and a liability for future payments and how this will affect the Group's profit and cash flow classification.	Mandatory for financial years commencing on or after 1 January 2018. Expected date of adoption by the Group: 1 July 2018.

(iv) Working capital deficiency

As a result of the Group's strong financial performance and the recent acquisition of Click, the Group has net assets of $76,236k as at 30 June 2017 (30 June 2016: net assets of $32,311k).

As at 30 June 2017, the Group's current liabilities exceed current assets by $50,077k (30 June 2016: $46,319k). Despite these historical working capital deficits, the Company continues to operate successfully and generate strongly positive operating cash inflows. This is because of a positive trading cash flow cycle for the mobile segment where inflows from customer payments are received faster than the Company is required to pay major creditors which are on fixed payment terms, and certain liabilities which, in practice, can be deferred beyond the short term.

The newly acquired Click also has a similar favourable negative working capital cycle whereby customer payments are generally received faster that the Company is required to make wholesale cost payments to energy suppliers.

Specifically, the Group's working capital deficit includes deferred revenue of $9,870k (30 June 2016: $7,449k) for which there is minimal future outflows expected. In addition, major creditors included in current liabilities have fixed repayment terms. Out of the total customer deposits of $3,177k (30 June 2016: $3,324k), $2,863k are only payable if a customer disconnects and requests a refund.

The Company also has a history of generating positive operating cash flows and managing the business to ensure debts are paid as and when they fall due, despite the net working capital deficits detailed above. The Company generated $1,806k from operating activities during the year (2016: $16,744k) and this was after a number of significant cash outflows that manifest in the operating section of the cashflow statement under accounting standards but are more akin to investing cash outflows. Specifically, in the current year these cash outflows include $20,347k to Optus for the liability acquired on the Vaya acquisition ($17,782k in FY2016), $13,358k on restructure of debt with respect to Optus activation fee liabilities, and $8,828k of acquisition costs. The final payment to Optus related to the Vaya acquisition is in January 2018.

With the company generating positive operating cashflows and paying liabilities as and when they fall due, the financial statements are prepared on a going concern basis.

(b) Principles of consolidation

(i) Subsidiaries

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of the Company as at 30 June 2017 and the results of all subsidiaries for the year then ended. The Company and its subsidiaries together are referred to in this financial report as the Group or the consolidated entity.

Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies so as to obtain benefits from their activities.

The acquisition method of accounting is used to account for the acquisition of subsidiaries by the parent entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group.

(c) Significant accounting judgements, estimates and assumptions

The Group may make judgements, estimates and assumptions that affect the reported amounts in the consolidated financial statements. Assumptions made at each balance date are based on best estimates at that date.

Estimates and judgements are continually evaluated and based on historical experience and other factors, including expectations of future events. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of the assets and liabilities are discussed below:

(i) Income taxes

The Group is subject to income taxes in Australia. Significant judgement is required in determining the income tax expense and unbooked tax losses. There are certain transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain.

The Group estimates its tax based on the Group's understanding of the tax law, including the assumption that it will both generate sufficient future taxable profits and continue to satisfy the Continuity of Ownership and/or Same Business tests in future periods. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences could impact the availability of booked tax assets in future periods in which any determination is made. The Group has recognised a net deferred tax liability of $4,931k relating to temporary differences at 30 June 2017.

Assumptions about the generation of future taxable profits depend on the Group's estimates of future cash flows, which in turn depend on estimates of future sales volumes, operating costs, capital expenditure, dividends to shareholders and other capital management transactions.

(ii) Employee share rights

The Group have issued share rights to certain employees. The cost of the plan recognised in the Group's financial statements is an estimation of the fair value of the share rights at grant date. This requires judgement in respect of the valuation methodology adopted and the valuation assumptions embedded within the methodology. Further details of the valuation methodology and assumptions are set out in Note 30 (b).

(iii) Intangible assets – goodwill

Judgements and estimates relating to the impairment testing of goodwill are set out in Note 16 to this report.

(iv) Unbilled revenue

The Group recognises revenue from energy services once the energy has been consumed by the customer. Customers are billed on a periodic and regular basis. Management estimates customer consumption between the last invoice date and the end of the reporting period when determining energy revenue for the financial period. Various assumptions and financial models are used to determine the estimated unbilled revenue, including average unbilled days, monthly wholesale purchases, distribution loss factor, average gross billed rate, average level of rebates and discounts.

If any of the utilised assumptions are different from the actual observed in subsequent period, the profit or loss may change materially.

(v) Provision for doubtful debts

The collectability of trade receivables is reviewed on an ongoing basis. A provision for doubtful debts is recognised when there is objective evidence that the entity will not be able to collect all amounts due. Management uses its judgment in determining the level of doubtful debt provisioning, taking into account the historic analysis of bad debt trends and the prevailing economic conditions.

(vi) Unbilled wholesale and network costs

The Group recognises an accrual for wholesale and network costs relating to energy consumed by its customers during the period which have not been billed by the network providers. Various assumptions and financial models are used to determine the estimated unbilled costs, including average unbilled days, monthly wholesale purchases, distribution loss factor, average gross rate and consumption estimates.

If any of the utilised assumptions are different from the actual observed in subsequent period, the profit or loss may change materially.

(vii) Valuation of derivatives

Fair valuation of derivative energy purchase contracts is performed each month. In performing fair valuation management uses a financial model with reference to a number of key judgemental assumptions including forward curves for the energy prices, premium for the load following hedge option in the contracts and forecast volume. If any of these assumptions are different from those applied, the valuation would be different with respective changes in net assets of the group.

(viii) Functional and presentational currency disclosure.

The Group's customers and almost all operational aspects of the business are in Australia. The Group's functional and presentational currency is the Australian dollar (AUD).

(d) Revenue recognition

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Group's activities as described below. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

(i) Service revenue from Mobile services

Service revenue from Mobile services is comprised of service revenue net of promotion costs relating to subscriber acquisition and retention. Service revenues are recognised based on customer usage. When a customer uses the services to make voice, sms and/or other services this will trigger revenue being recognised for customers on the As You Go product. Revenue from the Unlimited plan are broken down between components of revenue which can be recognised upfront, on a straight-line basis, or on a usage basis. Mobile data plans revenue is recognised based on customer usage. Revenue from the Flexi plan is recognised based on customer usage and expiry of Flexi credits.

Any accrued revenue or cash received in advance for services not provided yet are recognised through deferred revenue.

(ii) Service revenue from Broadband services

Revenue from Broadband services is recognised when the service is provided to the customer.

(iii) Service revenue from Energy services

Revenue from energy services supplied is recognised once the energy has been delivered to the customer and is measured through a regular review of usage meters. Customers are billed on a periodic and regular basis. At the end of each reporting period, energy revenue includes an accrual for energy delivered to customers but not yet billed (unbilled revenue).

Revenue from utility connection services is recognised in the accounting period in which the services are rendered.

(iv) Other service revenue and other income

Other revenue is comprised of expired credits, incentives and other income represent asset sales. Both are recognised in income when they are earned and become receivable.

(v) Interest revenue

Interest revenue is recognised when interest becomes receivable. All interest revenue within the consolidated financial statements are from cash held at bank and term deposits.

(e) Expenses

All expenses including rates and taxes, and other outgoings are recognised in the consolidated statement of comprehensive income on an accruals basis.

(f) Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with a bank or financial institution with original maturities of three months or less. Cash and cash equivalents also include highly liquid investments which are readily convertible to cash on hand at the Groups' option and which the Group uses in its day to day management of the Group's cash requirements.

(g) Payables

Payables are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Group. Payables are measured at their fair value. Trade payables are generally paid within 30 days of being recorded as payables.

The Company contracts directly with its subscribers, providing in house created mobile voice and data plans under the amaysim brand name which use the Optus 3G and 4G networks under a wholesale network supply agreement with Optus.

(i) Network related expenses

Network related expenses includes: wholesale voice and data costs and other network costs associated with energy payable to key suppliers and other payment fees. Expenses and payables are recognised as incurred in accordance with the network supply agreement, or other supplier agreements.

(ii) Optus liability acquired on Vaya acquisition

As part of the Vaya transaction, the Company has agreed the gross cash amount owing to Optus Networks Pty Limited and Optus Mobile Pty Limited at acquisition date. This amount is a fixed amount owing by Vaya for unpaid invoices and clawback commissions and is assumed indirectly by the Company through the Vaya acquisition to the extent that the Company serves as guarantor. This amount is required to be repaid over 24 months and the liability is to be discounted at 9.50% which represents the fair value cost of debt. This rate has been determined by examining qualitative and quantitative factors which would influence amaysim's cost of debt should it be able to source funding for the Vaya acquisition from debt markets. The last payment will be in January 2018.

(ii) Click

Click's payables include amounts owing to Electricity and Gas wholesalers in respect of customer usage, and amounts payable to Electricity and Gas Network operators in respect of the transportation and customer access to the energy infrastructure. Expenses and payables are recognised as incurred in accordance with the respective supply, access or other supplier agreements.

(h) Property, plant and equipment

All property, plant and equipment is recognised at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation on assets is calculated using the straight–line method to allocate their cost over their estimated useful lives or, in the case of leasehold improvements and certain leased plant and equipment, the shorter of lease terms or as follows:

Leasehold improvements	5 years
Office equipment	4 years
EDP equipment	3 years
Telecommunication equipment	3–4 years
Furniture and fittings	8 years
Leased plant and equipment	4 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

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

(i) Intangible assets

The Group has five types of intangible assets as follows:

(i) Goodwill

Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses.

(ii) Trademarks/brands

Separately acquired trademarks/brands are shown at historical cost. Trademarks/brands acquired in a business combination are recognised at fair value at the acquisition date. They have a finite useful life of 7 years and are subsequently carried at cost less accumulated amortisation and impairment losses.

(iii) Customer lists

Customer lists on acquisition of subsidiaries are included in intangible assets. They are amortised over their useful life, deemed between 5 to 7 years.

(iv) Distribution lists

Distribution lists on acquisition of Click Energy relate to On The Move and other Channel partners are included in intangible assets. They are amortised over their useful life, deemed between 2 to 4 years.

(v) Software development

Costs incurred in developing products or systems and costs incurred in acquiring software and licenses that will contribute to financial benefits in future years through revenue generation and/or cost reduction are capitalised to software and systems. Costs capitalised include payroll related costs of employees' time spent on the project, external direct costs of materials and services, and any direct attributable costs to the generation or the acquisition of the software. Amortisation is calculated on a straight–line basis over years generally ranging from 2.5 to 3 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 Group has an intention and ability to use the asset.

(j) Derivatives and hedging activities

The Group documents at inception of the hedge transactions the relationship between hedging instruments and hedge items and its risk management objective and strategy for undertaking various hedge transactions. The Group documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivative used to hedge transactions is highly effective in offsetting changes in the cash flows of the hedge item. The fair value of the hedge derivative is classified as a non-current asset or liability where the remaining maturity of the hedge is more than 12 months. Otherwise it is classified as a current asset or liability. The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated in reserves in equity. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss within other income and other expenses. Amounts accumulated in equity are reclassified to profit or loss in the period where the hedge item affects profit or loss. In the case of the Group, this is when the forecast purchase of energy takes place.

When a hedging instrument expires or is sold or terminated, or when the hedge no longer meets criteria for hedge accounting, any accumulated gain or loss existing in equity at the time remains in equity for as long as the forecast transaction is expected to occur and is recognised when the forecast transaction is ultimately recognised in the profit and loss. When the forecast transaction is no longer expected to occur, the gain or loss that was reported in equity is recognised in the profit or loss.

Under the Group's risk management policy, all derivative hedges are held against expected sales though the energy pool, and consequently are held to maturity. At that point, the values of the expected sales, as well as the cost of the hedges, are recognised in the profit or loss.

The fair value as at balance date represents the value of the financial assets and liabilities that would be realised through sale of the derivative hedges through an arm's length transaction between willing parties as at balance date.

The value of cash flow hedges that were in place at the time of the acquisition of Click (where the corresponding hedging reserve was eliminated at acquisition) are recycled to profit and loss in the amortisation line on a straight-line basis over the weighted average period of the acquired contracts.

Notes 14 and 24 provide additional information in relation to hedging.

(k) Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred;
- liabilities incurred to the former owners of the acquired business;
- equity interests issued by the Group; and
- fair value of any asset or liability resulting from a contingent consideration arrangement.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

Acquisition–related costs are expensed as incurred.

The excess of the

- consideration transferred,
- amount of any non–controlling interest in the acquired entity, and
- acquisition–date fair value of any previous equity interest in the acquired entity.

over the fair value of the net identifiable assets acquired is recorded as goodwill.

If those amounts are less than the fair value of the net identifiable assets of the subsidiary acquired, the difference is recognised directly in profit or loss as a bargain purchase.

Business combinations are initially accounted for on a provisional basis. The acquirer retrospectively adjusts the provisional accounts recognised and also recognises assets and liabilities during the measurement period, based on new information obtained about the facts and circumstances that existed at the acquisition date.

The measurement period ends on either of:

(i) 12 months from the date of acquisition or

(ii) when the acquirer receives all the information to determine fair value.

(l) Impairment of non financial assets

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

Recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. The value in use is the present value of the estimated future cash flows relating to the asset using a pre tax discount rate specific to the asset or cash generating unit to which the asset belongs.

Assets that do not have independent cash flows are grouped together to form a cash generating unit.

(m) Employee benefits

(i) Short–term obligations

Liabilities for salaries and wages, including non–monetary benefits and annual leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

The liability for annual leave is recognised in current provisions.

(ii) Other long–term employee benefit obligations

The liabilities for long service leave are not expected to be settled within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period of corporate bonds with terms and currencies that match, as closely as possible, the estimated future cash outflows.

(iii) Retirement benefit obligations

All employees of amaysim are entitled to the benefits of the 9.50% statutory superannuation guarantee, except where an employee's salary exceeds the maximum superannuation contribution threshold. All entitlements are settled monthly with the employee's nominated superannuation fund. Contributions to superannuation funds are recognised as an expense as they become payable.

(iv) Share–based payments

Share–based compensation benefits are provided to employees via the employee share rights. Information relating to these plans are set out in Note 30.

The fair value of options granted under the employee share right plan is recognised as an employee benefits expense with a corresponding increase in equity through the equity compensation reserve. The total amount to be expensed is determined by reference to the fair value of the rights granted adjusted for the number of rights or options expected to vest. The share based payment expense is then recognised on a straight line basis over the performance period.

(n) Leases

(i) Operating leases

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Group as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the consolidated statement of comprehensive income on a straight–line basis over the period of the lease.

The operating leases consist of the building leases for the 4 levels amaysim currently holds with Bridgelane Holdings. Currently the lease for 3 of the levels are for 5 years and 7 months ending 31 October 2020 with the remaining level lease covering 2 years and 7 months ending 31 October 2017.

(ii) Lease incentives

Lease incentives are capitalised upon receipt and recognised in the consolidated statement of comprehensive income over the life of the lease.

(o) Provision for make good

The Group is required to restore the leased premises to their original condition at the end of the respective lease terms. A provision has been recognised for the present value of the estimated expenditure required to remove and restore leasehold improvements. The provision has been estimated based on cost per square metre and number of square metres occupied.

(p) Contributed equity

Ordinary shares are classified as equity.

(q) Income tax

(i) Accounting policy

Tax expense comprises current and deferred tax and is recognised in the statement of comprehensive income according to the accounting treatment of the related transaction.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to tax in respect of previous years.

Deferred tax expense represents the tax expense in respect of the future tax consequences of recovering or settling the carrying amount of an asset or liability.

Both are calculated using tax rates for each jurisdiction, enacted or substantially enacted at the reporting date, and for deferred tax those that are expected to apply when the asset is realised or the liability is settled.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- initial recognition of assets or liabilities, other than in a business combination, that affect neither accounting nor taxable profit;
- recognition of goodwill; and
- investments in subsidiaries to the extent that they will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and they relate to the same taxable entity and the same taxation authority.

(ii) Tax consolidation

amaysim Australia Limited and its wholly owned Australian resident entities are part of a tax consolidated group and are therefore taxed as a single entity. amaysim Australia Limited is the head entity of the tax consolidated group. amaysim Australia Limited intends on entering into a tax sharing agreement between it and the entities in the tax consolidated group.

The tax sharing agreement will detail how the income tax liabilities would be allocated between the entities should amaysim Australia Limited default on its tax obligations.

Current tax expense/income, deferred tax liabilities and deferred tax assets of the members of the tax consolidated group are recognised in the separate financial statements of the members using the "separate tax payer method", by reference to the carrying amounts in the separate financial statements of each entity and the tax values applying under tax consolidation. Income tax payable and receivable as calculated under the "separate tax payer method" are recognised as amounts receivable from or payable to other entities in the group, and are due and payable as requested by the head entity.

(iii) Recoverability of deferred tax assets

The amaysim tax consolidated group has $4,931k of deferred tax liabilities relating to temporary differences. Refer Note1 (c)(i) accounting estimates for further information.

(r) Dividends

A liability is recognised for the amount of any dividends determined on or before the end of the financial year but not paid at the balance sheet date. Typically, interim and final dividends in respect of the financial period are determined after period end and are therefore not included as a provision at period end.

(s) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the company, excluding any costs of servicing equity other than ordinary shares.
- by the weighted average number of ordinary shares outstanding during the financial year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

(t) Goods and Services Tax (GST)

All revenues, expenses and assets are recognised net of any GST paid, except where they relate to products and services which are input taxed for GST purposes or the GST incurred is not recoverable from the relevant tax authorities. In such circumstances, the GST paid is recognised as part of the cost of acquisition of the assets or as part of the particular expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the consolidated balance sheet.

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

(u) Parent entity financial information

The financial information for the parent entity, amaysim Australia Limited, disclosed in Note 32 has been prepared on the same basis as the consolidated financial statements, except as set out below:

Investments in subsidiaries, associates and joint venture entities are accounted for at cost in the consolidated financial statements of amaysim Australia Limited.

(v) Rounding of amounts

The amounts contained in this report and in the financial report have been rounded under the option available to the Group under ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191. The Group is an entity to which the Class Order applies, and in accordance with the Class Order, amounts in the Directors' Report and the Financial Report have been rounded to the nearest thousand dollars (where rounding is appropriate), or in certain cases, to the nearest dollar.

(w) Borrowing and Financing Arrangements

Borrowings (excluding bank guarantees) are initially recognized at fair value, net of transaction costs. They are subsequently measured at amortised cost. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that some of the facility will be drawn down. This transaction cost is capitalised as a prepayment (capitalised transaction costs) and amortised over the period of the facility. Borrowings are removed from the consolidated balance sheet when the obligation specified in the contract is satisfied, discharged, cancelled or expired.

2 Operating segments

Description of segments

Operating segments have been identified based on separate financial information that is regularly reviewed by the Chief Operating Decision Maker (CODM). The term CODM refers to the role performed by the Chief Executive Officer, in assessing performance and determining the allocation of resources.

In the year ended 30 June 2016, there is only one segment being Mobile. All the information is reflected in the consolidated statement of comprehensive income and consolidated balance sheet at 30 June 2016.

Due to the acquisition of AusBBS in August 2016, and the acquisition of Click in May 2017, the Group has restructured his activities during the year and aligned its financial reporting to the new business activities acquired by the Group.

The following three reportable segments are identified to measure the financial performance of the Group:

- **Mobile services:** the services provided to amaysim and Vaya customers, as well as devices sold through the Vaya and amaysim handset stores.
- **Broadband:** include the services provided to customers of AusBBS and since May 2017, to amaysim Broadband customers.
- **Energy:** for services provided to Click customers, since 1 May 2017.

The CODM primarily uses a measure of earnings before interest, tax, depreciation and amortisation (EBIDTA) to assess the performance of the operating segments. The CODM also receives information about the segments revenue, asset allocation and other non-statutory measures on a monthly basis.

Segment information

	Mobile $'000	Broadband $'000	Energy $'000	Total $'000
Service revenue	266,262	2,505	45,501	314,268
Other revenue	12,218	22	172	12,412
Net revenue	**278,480**	**2,527**	**45,673**	**326,680**
Cost of sales	(189,559)	(2,375)	(35,673)	(227,607)
Gross margin	**88,921**	**152**	**10,000**	**99,073**
Other income	2,032	-	-	2,032
Interest income	151	-	4	155
EBITDA	**34,687**	**(3,617)**	**2,771**	**33,841**
Depreciation & amortisation				(9,503)
Net finance costs				(3,266)
Profit before tax				**21,072**
Income tax				(9,560)
Profit after tax				**11,512**
Total Assets	**191,586**	**4,337**	**96,618**	**292,541**
Total Liabilities *	**(160,367)**	**(1,175)**	**(54,763)**	**(216,305)**

* Assets for Mobile include goodwill (Note 16) and Liabilities for Mobile include total Group borrowings (Note 13).

3 Revenue and other income

The Group derives the following types of revenue and other income:

	Consolidated entity Year ended at 30 June 2017 $'000	2016 $'000
Service revenue	**314,268**	241,890
Other revenue	**12,412**	11,647
Net revenue	**326,680**	253,537
Other income	**2,032**	0
Interest income	**155**	488
Total revenue and other income	**328,867**	254,025

Service revenue includes revenue generation from Mobile, Broadband, and Energy.

4 Expense items

	Notes	Consolidated entity Year ended 30 June 2017 $'000	2016 $'000
Depreciation			
Property, plant and equipment	15	**840**	410
		840	410
Amortisation			
Intangible assets	16	**8,142**	4,909
Acquired derivative contracts		**521**	-
Total Amortisation		**8,663**	4,909
Total Depreciation and amortisation		**9,503**	5,319
Bad debt write offs		3,678	111
Provision for doubtful debts	10	3,178	840
Total bad and doubtful debt expense		**6,856**	951
Finance costs	5	**3,421**	1,755
IT & facilities expenses			
Lease – office equipment		**32**	29
Lease – office complex		**1,705**	1,828
IT & other facilities		**6,809**	5,649
		8,546	7,506

5 Finance income and expense

	Consolidated entity Year ended 30 June	
	2017 $'000	2016 $'000
Interest Income	**155**	488
Finance income	**155**	488
Interest charges	**(98)**	(44)
Unwinding of discount on Optus liability	**(1,980)**	(1,711)
Interest charges on syndicated loan facility	**(994)**	-
Expensing of capitalised transaction costs	**(349)**	-
Finance costs expensed	**(3,421)**	(1,755)
Net finance costs	**(3,266)**	1,267

-

6 Income tax

This note provides an analysis of the Group's income tax expense, shows what amounts are recognised directly in equity and how the tax expense is affected by non–assessable and non-deductible items.

(a) Income tax expense

	Consolidated entity Year ended 30 June	
	2017 $'000	2016 $'000
Current tax		
Current tax	**10,632**	739
Deferred tax	**(1,072)**	5,445
Total income tax expense/(benefit)	**9,560**	6,184
Deferred income tax		
Decrease/(increase) in deferred tax assets	**(970)**	6,478
(Decrease)/increase in deferred tax liabilities	**(102)**	(1,033)
Total deferred tax expense/(benefit)	**(1,072)**	5,445

(b) Numerical reconciliation of income tax expense to prima facie tax payable

	Consolidated entity Year ended 30 June	
	2017 $'000	2016 '000
Profit from continuing operations before income tax expense	**21,072**	18,490
Tax at 30% (2016 - 30%)	**6,322**	5,547
Tax effect of amounts which are not deductible (assessable) in calculating taxable income:		
Amortisation of intangibles	**221**	217
Research and development expenditure	**(212)**	(268)
Acquisition expenses	**1,095**	403
Share-based payments	**283**	285
Entertainment	**63**	39
Sundry items	**-**	(39)
Derecognition of losses *	**1,788**	-
Income tax expense	**9,560**	6,184

* Tax losses have been written off as the Group will fail the same business test on acquisition of Click. The amount of $1,788k includes $269k of prior year true up.

(c) Amounts recognised directly in equity

	Consolidated entity Year ended 30 June	
	2017 $'000	2016 $'000
Aggregate current and deferred tax arising in the reporting period and not recognised in net profit or loss or other comprehensive income but directly debited or credited to equity:	**2,319**	-
Net deferred tax – debited / (credited) directly to equity	**2,319**	(101)

7 Dividends

(a) Dividends paid and payable

	Consolidated entity Year ended 30 June	
	2017 $'000	2016 $'000
Dividends paid during the reporting period		
Final Dividend for year ended 30 June 2016 of 5.3 cents per share	**9,716**	-
Interim dividend for the year ended 30 June 2017 of 4.0 cents per share	**7,433**	5,351
Total dividends paid	**17,149**	5,351
Dividends not recognised at the end of the reporting period		
Final dividend for the year ended 30 June 2017 of 5.1 cents per share	**10,710**	9,716
Total dividends not recognised	**10,710**	9,716

(b) Franking credits

The final dividends recommended after 30 June 2017 will be fully franked out of existing franking credits, or out of franking credits arising from the payment of income tax in the year ended 30 June 2018.

	Consolidated entity		Parent entity	
	2017 $'000	2016 $'000	**2017 $'000**	2016 $'000
Franking credits available for subsequent reporting periods based on a tax rate of 30%	**12,135**	78	**11,149**	78

The above amounts are calculated from the balance of the franking account as at the end of the reporting period, adjusted for franking credits and debits that will arise from the settlement of liabilities or receivables for income tax and dividends after the end of the year.

The consolidated amounts include franking credits that would be available to the parent entity if distributable profits of subsidiaries were paid as dividends.

8 Earnings per share

	Consolidated entity Year ended 30 June	
	2017 $'000	2016 $'000
Basic earnings per share	**6.1**	6.9
Diluted earnings per share	**5.9**	6.6

(a) Reconciliation of earnings used in calculating earnings per share

	Consolidated entity Year ended 30 June	
	2017 $'000	2016 $'000
Basic earnings per share		
Net profit after tax	**11,512**	12,306
Diluted earnings per share		
Net profit after tax used in calculating basic earnings per share	**11,512**	12,306
Add: interest savings on convertible notes	**-**	-
	11,512	**12,306**

(b) Weighted average number of shares used as the denominator

	Consolidated entity Year ended 30 June	
	2017	2016
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	*187,758,355*	*177,365,057*
`Adjustments for calculation of diluted earnings per share:		
Employee share rights	*1,943,380*	*4,580,454*
Long term incentive plan rights	*4,783,007*	*3,048,362*
Shares to be issued	*-*	*1,556,718*
Convertible notes	*-*	*-*
Weighted average number of ordinary and potential ordinary shares used as the denominator in calculating diluted earnings per share	**194,484,742**	**186,550,591**

(c) Information concerning the classification of securities

(i) Employee share rights

Employee share rights granted to employees under the amaysim incentive plan are considered to be potential ordinary shares and have been included in the determination of diluted earnings per share to the extent to which they are dilutive. Details relating to the employee share rights are set out in Note 30 (b).

(ii) Long term incentive plan rights (LTIP)

All LTIP rights granted are considered to be potential ordinary shares and have been included in the determination of diluted earnings per share to the extent to which they are dilutive. Details relating to the LTIP are set out in Note 30 (a).

9 Cash and cash equivalents

	Consolidated entity Year ended 30 June	
	2017 $'000	2016 $'000
Current assets		
Cash and cash equivalents	**18,068**	13,388
Total cash and cash equivalents	**18,068**	13,388

10 Trade receivables

	Consolidated entity Year ended 30 June	
	2017 $'000	2016 $'000
Trade receivables		
Unbilled revenue from energy services	16,417	-
Trade receivables and accrued revenue	35,385	10,091
Provision for doubtful debts	(7,965)	(1,011)
Total trade receivables	**43,837**	9,080

At 30 June, the aging analysis of the net trade receivables is as follows:

	12 months to	
	June 17 $'000	June 16 $'000
Balance at end of the reporting period	**27,420**	9,080
Current	**18,020**	8,580
31 - 60 days	**3,924**	370
61 - 90 days	**1,688**	90
91 days and over	**3,788**	40

The group continue to expand and streamline collection processes. At 30 June 2017, the group has reviewed credit risk, assessed the collectability of trade receivables and has determined an appropriate level of provisioning for doubtful debt after taking into account ageing risk, credit risk and insolvency of debtors.

At 30 June, the provision for doubtful debts is as follows:

	12 months to	
	2017 $'000	2016 $'000
Balance at the start of the reporting period	**(1,011)**	(206)
Charge for the year	**(3,178)**	(840)
Acquired	**(4,760)**	(196)
Amounts written off	**984**	231
Balance at reporting date	**(7,965)**	(1,011)

(i) Fair value of trade and other receivables

Due to the short–term nature of these receivables, their carrying value is assumed to approximate their fair value.

The maximum exposure to credit risk is the fair value of receivables. Collateral is not held as security, nor is it the Group's policy to transfer (on–sell) receivables to special purpose entities.

11 Other current assets

	Consolidated entity Year ended 30 June	
	2017 $'000	2016 $'000
Other current assets		
Energy trade certificates	3,244	-
Prepayments	2,899	989
Other	47	47
Total other current assets	**6,190**	1,036

(i) Energy trade certificates

Renewable energy and energy efficiency schemes operate through the creation, trade and surrender of energy products. The major schemes affecting the business require the surrender of Large-scale Generation Certificates (LGCs), Small Scale Technology

Certificates (STCs), New South Wales Energy Savings Certificates (ESCs) and Victorian Energy Efficiency Certificates (VEEC).

Forward purchased renewable energy products are designated as held for own use to satisfy relevant regulatory requirements. Renewable and efficiency products held for own use are accounted for on an accrual basis. That is, when a buy or sell contract is entered into, no recording is made until legal title transfers.

Energy trade certificates are recognised at costs in the Accounts.

12 Trade and other payables

	Consolidated entity Year ended 30 June	
	2017 $'000	2016 $'000
Trade and other payables		
Trade payables	**21,172**	11,263
Accrued expenses	**21,637**	14,883
Optus activation fee liability	-	11,230
Optus liability acquired on Vaya acquisition	**11,514**	18,376
Unbilled wholesale accrual	**4,463**	-
Unbilled network accrual	**18,446**	-
Renewable cost liability	**5,523**	-
Total trade and other payables	**82,755**	55,752

Terms and conditions

Terms and conditions relating to the above financial liabilities:

(i) Trade payables and accrued expenses are non-interest bearing and are normally settled on 30-60 day terms.

(ii) Optus activation fee liability has been fully repaid in March 2017.

(iii) Optus liability acquired on Vaya acquisition is settled monthly over 24 months from the date of acquisition of Vaya (1 January 2016) and the liability is discounted at 9.50% which represents the fair value cost of debt. Further information is set out in Note 1(g). The last instalment will be payable January 2018.

Details regarding interest rate, foreign exchange and liquidity risk exposure are set out in Note 24.

13 Borrowings

	Consolidated entity Year ended 30 June 2017		
	Current $'000	**Non current $'000**	**Total $'000**
Secured			
Bank loans	**15,000**	**85,000**	**100,000**
Capitalised transaction costs	**(1,396)**	**(2,442)**	**(3,838)**
Total secured borrowings	**13,604**	**82,558**	**96,162**
Total unsecured borrowings	-	-	-
Total borrowings	**13,604**	**82,558**	**96,162**

i) Syndicated Facility

In April 2017 a Syndicated loan facility ("Facility") of A$138 million was entered into with the Commonwealth Bank of Australia ("CBA"). The Facility has a 3 year term and will mature on 31 March 2020.

There are three components of the Facility, A, B and C. Facility A is a multi-option facility consisting of a revolving loan facility and a revolving bank guarantee facility totalling $19.5million. Facility B is a revolving bank guarantee facility totalling $28.5million and Facility C is a term loan facility totalling $90million. $100million of the total facility was drawn down primarily to fund the acquisition of the Click Energy Group, $29.4million have been drawn down and used as bank guarantees, and $8.6million is unused at year end.

On 30 June 2017, the Company has no interest rate hedges and the interest rate exposure is related to floating rate borrowings.

The Facility includes customary financial covenants to be tested on a quarterly basis. There were no breaches of any financial covenants as at 30 June 2017.

ii) Bank Guarantee

Bank guarantees are primarily used for operational purposes by the Mobile and Energy businesses. On 30 June 2017, the total bank guarantees issued is A$29.4million.

iii) Capitalised transaction costs

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that some of the facility will be drawn down. This transaction cost is capitalised and amortised over the period of the facility.

14 Fair value measurements

As at 30 June 2017 the Group holds energy derivatives that require fair value measurements, other than the Share based payments outlined in Note 30. The fair values of all financial instruments held on the balance sheet as at 30 June 2017 equal the carrying amount and are an asset of $7,724k and of $3,107k of acquired contracts (cost of $3,628k and amortisation of $521k).

(i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standards. An explanation of each level follows underneath the table.

Recurring fair value measurements At 30 June 2017	Level 3 $'000	Total $'000
Financial assets		
Financial assets	-	-
Derivatives used for hedging	-	-
Customer load-following contracts	**7,724**	**7,724**
Interest rate swaps	-	-
Available-for-sale financial assets	-	-
Total financial assets	**7,724**	**7,724**
Financial liabilities		
Derivatives used for hedging – customer load-following contracts	-	-
Trading derivatives	-	-
Total financial liabilities	-	-

There are no level 1 and 2 financial instruments for transfers in and out of level 3 measurements. Refer to (iii) below.

The group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the group is the current bid price. These instruments are included in level 1 and are nil at 30 June 2017.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2 and are nil at 30 June 2017.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for load following contracts.

(ii) Valuation techniques used to determine fair values

Specific valuation techniques used to value financial instruments include:

- the use of an average of quoted market prices leading up to balance date for similar instruments.
- estimates of notional volumes based on Board approved forecasts of customer demand.

All of the resulting fair value estimates are included in level 3.

(iii) Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 items for the periods ended 30 June 2017.

	Unlisted equity securities $'000	Contingent conside-ration $'000	Load following derivatives $'000	Total $'000
Gains/(losses) recognised in other comprehensive income	-	-	7,724	7,724
Tax Effect			(2,319)	(2,319)
Closing balance 30 June 2017	**-**	**-**	**5,405**	**5,405**

* unrealised gains or (losses) recognised in profit or loss attributable to assets held at the end of the reporting period (included in gains/(losses) disclosed above)

(iv) inputs and relationships to fair value

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements. See (ii) above for the valuation techniques adopted.

Description	Fair value at 30 June 2017 $'000	Fair value at 30 June 2016 $'000	Un-observable inputs *	Range of inputs (probability-weighted average) 2017	Range of inputs (probability-weighted average) 2016	Relationship of unobservable inputs to fair value
Electricity Derivatives	**7,724**	-	Forecast customer demand	1,127GWh to 1,378GWh	-	An increase of 10% or decrease of 10% in forecast customer demand would change fair value by $1.1mill.

*There were no significant inter-relationships between unobservable inputs that materially affect fair values.

(v) Valuation processes

The finance team of Click, including the Chief Financial Officer (CFO), perform the valuations of non-property items required for financial reporting purposes, including level 3 fair values. Discussions of valuation processes and results are held between the CFO and Chief Executive Officer (CEO), at least once every six months, in line with the group's half-yearly reporting periods.

The main level 3 inputs used by the group are derived and evaluated as follows:

- Forward settlement prices on electricity derivatives are obtained independently from the ASX Energy Futures website on relevant dates leading up to balance date.
- Notional volumes under energy hedging are derived from internal modelling based on historical performance which eventually form part of Board approved forecasts and budgets.

Changes in level 3 fair values are analysed at the end of each reporting period during the half-yearly valuation discussion between the CFO and the CEO.

15 Property, plant and equipment

	Leasehold improvements $'000	Office equipment $'000	EDP equipment $'000	Telecommunicati on equipment $'000	Furniture & fittings $'000	Leased assets – MV $'000	Total $'000
At 1 July 2016							
Cost	1,504	380	1,166	280	280	-	3,610
Accumulated depreciation	(1,409)	(70)	(851)	(207)	(55)	-	(2,592)
Net book amount	95	310	315	73	225	-	1,018
Year ended 30 June 2017							
Opening net book amount	95	310	315	73	225	-	1,018
Acquisition of subsidiary	-	-	266	-	41	-	307
Additions	1,155	80	1,079	47	231	-	2,592
Disposals	-	-	-	-	-	-	-
Depreciation charge	(210)	(70)	(399)	(50)	(111)	-	(840)
Closing net book amount	**1,040**	**320**	**1,261**	**70**	**386**	**-**	**3,077**
At 30 June 2017							
Cost	2,659	460	2,511	327	552	-	6,509
Accumulated depreciation	(1,619)	(140)	(1,250)	(257)	(166)	-	(3,432)
Net book amount	**1,040**	**320**	**1,261**	**70**	**386**	**-**	**3.077**
At 1 July 2015							
Cost	1,405	63	930	257	139	-	2,794
Accumulated depreciation	(1,265)	(30)	(703)	(158)	(29)	-	(2,185)
Net book amount	140	33	227	99	110	-	609
Year ended 30 June 2016							
Opening net book amount	140	33	227	99	110	-	609
Acquisition of subsidiary	22	122	-	-	19	131	294
Additions	77	205	236	23	122	-	663
Disposals	-	(10)	-	-	-	(128)	(138)
Depreciation charge	(144)	(40)	(148)	(49)	(26)	(3)	(410)
Closing net book amount	95	310	315	73	225	-	1,018
At 30 June 2016							
Cost	1,504	380	1,166	280	280	-	3,610
Accumulated depreciation	(1,409)	(70)	(851)	(207)	(55)	-	(2,592)
Net book amount	95	310	315	73	225	-	1,018

16 Intangible assets

Consolidated entity	Goodwill $'000	Trademarks $'000	Software development $'000	Customer contracts $'000	Distributor relationships $'000	Total $'000
At 1 July 2016						
Cost	53,373	5,929	12,163	15,415	-	86,880
Accumulation amortisation and impairment	-	(1,484)	(7,143)	(1,542)	-	(10,169)
Net book amount	53,373	4,445	5,020	13,873	-	76,711
Year ended 30 June 2017						
Opening net book amount	53,373	4,445	5,020	13,873	-	76,711
Acquisition of subsidiary	92,592	-	5,369	29,944	4,323	132,228
Additions	-	-	8,867	-	-	8,867
Disposal	-	-	-	-	-	-
Amortisation charge	-	(857)	(3,297)	(3,778)	(210)	(8,142)
Closing net book amount	**145,965**	**3,588**	**15,959**	**40,039**	**4,113**	**209,664**
At 30 June 2017						
Cost	145,965	5,929	26,399	45,359	4,323	227,975
Accumulated amortisation	–	(2,341)	(10,440)	(5,320)	(210)	(18,311)
Net book amount	**145,965**	**3,588**	**15,959**	**40,039**	**4,113**	**209,664**
At 1 July 2015						
Cost	-	5,074	8,190	-	-	13,264
Accumulation amortisation and impairment	-	(699)	(4,610)	-	-	(5,309)
Net book amount	-	4,375	3,580	-	-	7,955
Year ended 30 June 2016						
Opening net book amount	-	4,375	3,580	-	-	7,955
Acquisition of subsidiary	53,373	855	-	15,415	-	69,643
Additions	-	-	4,090	-	-	4,090
Disposal	-	-	(68)	-	-	(68)
Amortisation charge	-	(785)	(2,582)	(1,542)	-	(4,909)
Closing net book amount	53,373	4,445	5,020	13,873	-	76,711
At 30 June 2016						
Cost	53,373	5,929	12,163	15,415	-	86,880
Accumulated amortisation	-	(1,484)	(7,143)	(1,542)	-	(10,169)
Net book amount	53,373	4,445	5,020	13,873	-	76,711

(i) Impairment tests for goodwill

Goodwill is monitored by management at a cash generating unit level which equals the three operating segments identified in Note 2. A segment-level summary of the allocation of the carrying value of goodwill is presented below:

	Consolidated entity Year ended 30 June		Post-tax discount rate	
Goodwill	**2017 $'000**	2016 $'000	**2017 %**	**2016 %**
Mobile services	**53,373**	53,373	**11.5**	12.0
Broadband	**120**	-	**11.5**	n/a
Energy	**92,472**	-	**12.0**	n/a

(ii) Significant estimates: key assumptions used for value-in-use calculations

The Group tests whether goodwill has suffered any impairment on an annual basis. Goodwill is monitored at the CGU level which equals the segment level. The recoverable amount of the Group cash generating units (CGU) that form the operating segment is determined based on value-in-use calculations which require the use of assumptions. The calculations use cash flow projections based on the Group's Board approved financial year 2018 budget and management forecast over a five-year period.

Cash flows beyond the five-year period are extrapolated using the estimated growth rates stated below. These growth rates are consistent with forecasts included in industry reports specific to the industry in which each CGU operates.

Management has determined the values assigned to each of the above key assumptions as follows:

Growth rate estimates: these rates have been calculated using a number of different assumptions around sales volume and net revenue over the five-year period; based on past performance and management's expectations of market development regarding the product mix and promotions that will be offered.

Discount rates: these represent the current market assessment of the risks specific to the CGU, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and its operating segment and is derived from its weighted average cost of capital (WACC). The WACC takes into account debt and equity. The cost of equity is derived from the expected return on investment by the Group's investors. The cost of debt is based on the interest-bearing borrowings the Group is obliged to service. Segment-specific risk is incorporated by applying individual beta factors. The beta factors are evaluated annually based on publicly available market data. Adjustments to the discount rate are made to factor in the specific amount and timing of the future cash flows in order to reflect a pre-tax discount rate. The pre-tax discount rate used for Mobile services is 15.3% (2016: 17.0%), Broadband 13.8% (2016: n/a) and for Energy is 15.1% (2016: n/a).

After the 5 year period, a terminal growth rate of 2.5% (2016: 2.5%) has been used.

(iii) Significant estimate: Impact of possible changes in key assumptions

At assessment date, there are no reasonably possible changes in key assumptions that would result in an impairment to Mobile Services, Broadband or Energy CGUs.

17 Business combinations

(a) Summary of AusBBS acquisition

On 23 August 2016, the Company acquired all of the equity of AusBBS. This acquisition accelerates its strategy to enter into the broadband market in order to be ready for the migration event presented by the rollout of the National Broadband Network.

(i) Purchase consideration

Details of the purchase consideration is as follows:

	2017 $'000
Tranche 1: Cash on completion	**1,014**
Tranche 1: amaysim shares on completion	**1,805**
Tranche 2: Cash	**12**
Tranche 2: amaysim shares one year after completion	**1,503**
Total purchase consideration	**4,334**

(ii) Assets acquired/liabilities assumed

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

	Fair value $'000
Cash	30
Trade receivables	9
Accrued revenue	19
Other receivables	373
Other current assets	95
Software	4,464
Trade and other payables	(388)
Accruals	(209)
Unearned revenue	(57)
Customer deposits	(28)
Loan- Director	(94)
Net identifiable assets acquired	4,214
Add: goodwill	120
	4,334

(iii) Software

Software acquired as part of the AusBBS acquisition included software platforms and capabilities that have allowed amaysim to expedite its entry into the Broadband market.

(iv) Goodwill from acquisition

The goodwill arising from this acquisition was not significant.

(b) Summary of Click acquisition

On 1 May 2017, the Company acquired 100% of the issued share capital of Click including all of its subsidiaries.

The acquisition accounting for this business combination is provisional at 30 June 2017, pending finalisation of the purchase consideration and fair value of net assets acquired.

(i) Purchase consideration

The cost of acquisition net of cash acquired was $118,427k. For accounting purposes, the purchase consideration, on a provisional basis, is calculated as follows:

	2017 $'000
Purchase consideration	
Cash paid to sellers	78,845
Cash paid in Escrow	8,760
Cash paid to sellers' representatives	363
Ordinary shares issued	40,000
SBP expense related to pre-acquisition	85
Total provisional purchase consideration for the Click group	128,053

(ii) Assets acquired/liabilities assumed

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

	Fair value $'000
Cash	9,626
Trade and other receivables	17,072
Accrued revenue	13,760
Other current receivable	3,295
Property, Plant & Equipment	307
Software	411
Derivative asset contracts	3,628
Customer contracts	29,944
Distribution Relationships	4,323
Trade and other payables	(33,964)
Provision for income tax	(1,370)
Provisions — current	(3,906)
Provisions — non-current	(2,422)
Deferred tax liability	(5,123)
Net identifiable assets acquired	35,581
Add: provisional goodwill	92,472
	128,053

(iii) Acquired receivables

The fair value of acquired trade receivable and accrued revenue is $30,832k. The gross contractual amount for trade receivable and accrued revenue (Face Value) is $35,592k, and the provision for doubtful debt is $4,760k.

(iv) Provisional goodwill

Goodwill from the acquisition represents the value of assets that are not separately identifiable or separable from other assets recognised under the provisional acquisition accounting. This encompasses things like know-how, business experience and acumen within the assembled workforce of the acquired Click Group which is essential to operate an Energy business as well as the positive prospects of the business and its current and future growth profile.

(v) Revenue and profit contribution

Based on its recently completed 2017 financial year, had amaysim owned the Click Group for the full 2017 financial year, it would have contributed $228,000k of incremental Revenue and $18,966k of Underlying EBITDA to the consolidated Group results for 2017.

(c) Other business combination

During the year the Group entered another business combination to acquire an online device store. This transaction was not material to the Group, individually or in aggregate. The total purchase consideration for this business was $400k paid in cash, and the net liabilities of the company were $94k.

(d) Purchase consideration - cash outflow for all acquisitions

	2017 $'000
Outflow of cash to acquire subsidiary, net of cash acquired	
Cash consideration to sellers	80,271
Cash consideration to sellers' representatives	363
Cash in escrow	8,760
	89,394
Less cash balances acquired	(9,634)
Net outflow of cash - investing activities	**79,760**

18 Deferred tax balances

(i) Deferred tax balances

	Consolidated entity Year ended 30 June 2017 $'000	2016 $'000
The balance comprises temporary differences attributable to:		
Tax losses	-	1,519
Capital raising expenditure	**3,309**	2,727
Employee benefits	**1,867**	905
Contracted payments	-	-
Superannuation	**137**	108
	5,313	5,259
Other		
Deferred revenue	**2,239**	1,303
Accrued expenses	**1,988**	140
Make good provision	**118**	94
Doubtful debts	**3,371**	303
Other	**266**	38
Sub-total	**7,982**	1,878
Total deferred tax assets	**13,295**	7,137
Set-off of deferred tax liabilities pursuant to set-off		
Provisions	**(999)**	(1,339)
Intangible assets	**(13,447)**	(4,399)
Derivative financial instruments	**(3,780)**	-
Net deferred tax (liabilities)/assets	**(4,931)**	1,399
Deferred tax assets expected to be recovered within 12 months	**9,406**	5,592
Deferred tax (liabilities)/assets expected to be recovered after more than 12 months	**(14,337)**	(4,193)
	(4,931)	1,399

(ii) Movement schedule in deferred tax balances

	Consolidated entity Year ended 30 June 2017 $'000	2016 $'000
Opening Balance	**1,399**	12,752
Net Deferred Tax (Liability)Asset acquired from business combination	**(5,083)**	(5,979)
Charged to Profit and Loss	**1,072**	(5,475)
Charged to Equity	**(2,319)**	101
Closing Deferred Tax (Liability)/Asset	**(4,931)**	1,399

19 Other non-current assets

	Consolidated entity Year ended 30 June	
	2017 $'000	2016 $'000
Other non-current assets		
Security deposits	**874**	1,270
Bank guarantees	-	12,633
Total other non-current assets	**874**	13,903

Security deposits comprise of restricted deposits held as security for lease of premises and wholesale supply contracts.

20 Provisions

	Consolidated entity Year ended 30 June					
	2017			2016		
	Current $'000	**Non-Current $'000**	**Total $'000**	Current $'000	Non-Current $'000	Total $'000
Employee entitlements	**1,203**	**524**	**1,727**	795	286	1,081
Employee bonus	**2,271**	**648**	**2,919**	1,697	-	1,697
Make good	**72**	**322**	**394**	-	313	313
Other provisions	**2,689**	**1,577**	**4,266**	99	160	259
Total provisions	**6,235**	**3,071**	**9,306**	2,591	759	3,350

Employee entitlements provision relates to the Group's liability for annual leave and long service leave.

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

(i) Movements in provisions

Consolidated entity 2017	**Employee benefits $'000**	**Employee bonus $'000**	**Make good provision $'000**	**Other $'000**	**Total $'000**
Carrying amount at 1 July 2016	**1,081**	**1,697**	**313**	**259**	**3,350**
-Acquired through business combinations	564	1,797	-	3,967	6,328
– additional provisions recognised	1,299	774	164	299	2,536
– payments made	(1,217)	(1,349)	(83)	(259)	(2,908)
Carrying amount 30 June 2017	**1,727**	**2,919**	**394**	**4,266**	**9,306**
Carrying amount at 1 July 2015	711	1,301	302	-	2,314
– additional provisions recognised	1,054	1,916	11	259	3,240
– payments made	(684)	(1,520)	-	-	(2,204)
Carrying amount at 30 June 2016	1,081	1,697	313	259	3,350

21 Other non-current liabilities

	Consolidated entity Year ended 30 June	
	2017 $'000	2016 $'000
Other non-current liabilities		
Optus activation fee liability	-	2,128
Optus liability acquired on Vaya acquisition	-	11,514
Total non-current other payables	-	13,642

Terms and conditions

Terms and conditions relating to the above financial liabilities:

(i) Optus activation fee liability has been fully repaid in March 2017.

(ii) Optus liability acquired on Vaya acquisition is settled monthly over 24 months from the date of acquisition of Vaya Pty Limited (1 January 2016). The last instalment will be payable January 2018.

22 Equity

(a) Contributed equity

(i) Share capital

	2017 $'000	2016 $'000
Ordinary shares		
Opening balance	**62,538**	35,521
Contributions of equity, net of transaction costs and tax	-	12,561
Issue of shares as consideration for business combination	**43,308**	9,434
Fair value of shares issued	**8,887**	-
Shares to be issued as consideration for business combination	-	5,022
Closing balance	**114,733**	62,538

(ii) Movements in ordinary share capital

Details	**Number of shares**
Opening balance	180,267,342
Shares issued as consideration for the acquisition of Australian Broadband Services Pty Ltd	839,569
Exercise of employee share rights	2,378,485
New shares issued as consideration for Click Pty Limited	22,346,368
New shares issued for Vaya Acquisition	2,183,406
Closing balance	**208,015,170**

(iii) Movements in employee share rights

Details	**Number of rights**
Opening balance	4,351,743
Rights vesting on 25 August 2016	(2,378,485)
Rights forfeited	(35,187)
Closing balance	**1,938,071**

(iv) Movement in long term incentive plan

Details	Number of options
Opening balance	4,359,267
Rights granted on 7 February 2017	625,190
Rights granted on 1 May 2017	2,969,256
Rights forfeited	(309,294)
Closing balance	**7,644,419**

(v) Ordinary shares

All contributions of equity in amaysim Australia Limited is in the form of ordinary shares. Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Group in proportion to the number of and amounts paid on the shares held.

Ordinary shares have no par value and all shares in amaysim Australia are fully paid.

Upon a poll each ordinary share is entitled to one vote. At 30 June 2017 there were 208,015,170 ordinary shares issued.

(b) Equity compensation reserve

	Consolidated entity Year ended 30 June	
	2017 $'000	2016 $'000
Movements:		
Opening balance	**2,780**	1,829
Employee share plan expense	**1,097**	951
Fair value of shares issued	**(8,887)**	-
Closing balance	**(5,010)**	2,780

The equity compensation reserve is used to recognise the value of the equity compensation plans issued to selected employees of the Group. Fair value measurement has been used to determine the equity compensation reserve amount as outlined in Note 30.

(c) Cash flow hedging reserve

	Consolidated entity Year ended 30 June	
	2017 $'000	2016 $'000
Movements:		
Opening balance	**-**	-
Change in the value of energy derivatives	**7,724**	-
Tax effect	**(2,319)**	-
Closing balance	**5,405**	-

The cash flow hedging reserve is used to recognise the movement in the fair value of customer load-following contracts which the group uses to hedge wholesale energy purchase prices and where the instruments have been designated as cash flow hedges.

(d) Foreign currency translation reserve

	Consolidated entity Year ended 30 June	
	2017 $'000	2016 $'000
Opening balance	-	-
Effect of translation of foreign subsidiaries into Australian Dollars	**(248)**	-
Closing balance	**(248)**	-

(e) Retained profits

	Consolidated entity Year ended 30 June	
	2017 $'000	2016 $'000
Opening balance	**30,964**	24,009
Net profit for the year	**11,512**	12,306
Dividends paid	**(17,149)**	(5,351)
Closing balance	**25,327**	30,964

Retained earnings net of prior year accumulated losses are disclosed in the consolidated statement of changes in equity.

23 Cash flow information

(a) Reconciliation of cash and cash equivalents

For the purposes of the statement of cash flows, cash includes cash on hand, cash at bank and cash on deposit.

	Consolidated entity Year ended 30 June	
	2017 $'000	2016 $'000
Cash and cash equivalents	**18,068**	13,388

(b) Reconciliation of profit after income tax to net cash inflow from operating activities

	Consolidated entity Year ended 30 June	
	2017 $'000	2016 $'000
Net profit after tax	**11,512**	12,306
Adjustments		
IPO expenses	-	8,633
Depreciation and amortisation	**9,503**	5,319
Share-based payments expense	**1,012**	951
Net loss/(gain) on sale of non-current assets	-	76
Gain on sale of Airtasker shares	**(2,051)**	-
Net foreign exchange differences	**(248)**	-
Change in assets and liabilities:		
Decrease/(increase) in trade and other receivables	**(3,477)**	4,220
Movement in tax accounts	**6,918**	6,184
(Increase) in other assets	**(1,750)**	(41)
(Decrease)/increase in trade and other payable	**10,312**	(4,230)
Increase in other provisions	**(388)**	2,218
(Decrease) in customer deposits	**(175)**	(242)
(Decrease)/increase in deferred revenue	**2,364**	(2,676)
Optus liability acquired on Vaya acquisition	**(18,368)**	(16,071)
Increase/(decrease) in Optus activation fee	**(13,358)**	97
Net cash inflows from operating activities	**1,806**	16,744

(c) Non-cash investing and financing activities

	Consolidated entity Year ended at 30 June	
	2017 $'000	2016 $'000
Acquisition of business combination by means of share issue	**41,805**	14,456

As detailed in Note 17, on 23 August 2016, amaysim Australia acquired 100% of the issued share capital of Australian Broadband Services Pty Ltd, and on 1 May 2017, the Group acquired 100% of the issued share capital of Click Energy Group Holding Pty Ltd.

24 Financial risk management

amaysim's activities expose it to a variety of financial risks: market risk including foreign currency risk, price risk including energy price risk and interest rate risk, credit risk and liquidity risk. It is the role of the Audit and Risk Management Committee to have general oversight of risk management systems and internal control structures inclusive of those financial risks identified here.

(a) Derivatives

Derivatives are only used for economic hedging purposes and not as speculative investments. However, where derivatives do not meet the hedging criteria, they are classified as 'held for trading' for accounting purposes below. The group has the following derivative financial instruments:

	Consolidated entity Year ended 30 June	
	2017 $'000	**2016 $'000**
Current assets		
Acquired contracts	**3,107**	-
Customer load-following – cash flow hedge contracts	**4,466**	
Total current derivative financial instrument assets	**7,573**	-
Current liabilities		
Customer load-following contracts – cash flow hedges	-	-
Total current derivative financial instrument liabilities	-	-

Non-current assets		
Customer Load-following contracts – cash flow hedges	3,258	-
Total non-current derivative financial instrument assets	3,258	-
Total Derivatives included acquired contracts	**10,831**	-

(i) Acquired contracts

The value of acquired contracts that were in place at the time of the acquisition of Click were fair valued at acquisition. The acquired contracts are amortised to profit and loss on a straight-line basis over the weighted average period of the acquired contracts.

(ii) Classification of derivatives

The group's accounting policy for its cash flow hedges is set out in Note 1 (j). For hedged forecast transactions that result in the recognition of a non-financial asset, the group has elected to include related hedging gains and losses in the initial measurement of the cost of the asset.

(iii) Fair value measurement

For information about the methods and assumptions used in determining the fair value of derivatives please refer to Note 14 (iii).

(b) Market risk

(i) Foreign currency risk

The Group has minimal foreign exchange risks. All sales and the majority of expenses are denominated in Australian dollars. There is a small amount of operating expenses that are invoiced and paid in foreign currency (primarily USD). Ordinarily, the foreign currency invoices are paid within 30 days ensuring minimal foreign exchange exposure.

As at 30 June 2017 the Group had two USD bank accounts. The balances are kept at a minimum to cover any foreign currency operating expenses the business has. The combined balance at year end was $US98,135 and the average monthly closing balance for this account was $US231,427, which ensured the foreign exchange risk is minimised.

(ii) Interest rate risk

The Group's exposure to interest rate risk is predominantly associated with its syndicated loan facility. While a change in interest rates will impact the Group's interest expense, it does not have a material impact on the operations of amaysim. The Group does not currently hedge its interest rate risk.

(iii) Wholesale energy price risk

Energy price risk is the risk that amaysim, via its subsidiary Click Energy, is exposed to fluctuations in wholesale energy prices and these will impact the Group's financial result and cash flows. The Group is exposed to changes in wholesale prices of electricity and as it purchases these from the spot market to sell to its customer base. The Group is exposed to changes in the price of environmental scheme certificates that it is required to purchase and surrender as part of operating as an energy retailer in the Australian Market.

To manage its electricity and gas price risk, the Group enters into over the counter, load-following hedge contracts. These hedge contracts are financial derivative contracts that are net settled against a published electricity price or gas price. These derivative contracts are referred to as load-following because the notional megawatt (MW) or gigajoule (GJ) they are settled against is the total load of Click's customer base (within customer limits) in the nominated state. These contracts swap Click's exposure to a floating price into a fixed price. These hedge contracts establish the price at which future quantities of energy are purchased and settled giving it certainty as to Gross Margin. Any resulting differential to be paid or received under the hedge contract is recognised as a component of energy costs through the term of the contract. The Group has elected to apply cash flow hedge accounting to those instruments.

The net values of electricity and gas derivatives instruments have been classified as either current or noncurrent financial assets or current or noncurrent financial liabilities at the reporting date are listed in Note 24 (a).

Under the terms of these customer load-following contracts, where hedges are out of the money beyond certain limits, the Group may be required to provide temporary credit support to hedge counterparties.

It is not possible to predict if temporary credit support requirements will eventuate, or the size or period over which any temporary credit support might need to be made. The Group monitors this risk and if temporary credit support is required, either prepays the wholesale energy commitment or provides bank guarantees to the hedge counterparties.

(c) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to amaysim.

The Groups's business model naturally allows its credit risk to be mitigated. The Group has a large customer base it allows the risk to be spread over a large number of counterparties rather than large risks with a few small counterparties. Also, each customer only spends a relatively small amount and so the impact of individual customers not paying their bill is small.

The Group uses methods such as obtaining agency credit information, confirming references and setting appropriate credit limits and referring overdue accounts to an external collections agency to mitigate risks. The Group recognises the estimated financial impact of credit risk in the consolidated balance sheet as a provision for doubtful debt.

(d) Liquidity risk

The Group actively monitors its liquidity risks to ensure sufficient liquid assets (mainly cash and cash equivalents) are maintained to pay debts as and when they become due and payable.

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

(i) Financing arrangements

The Group has syndicated debt facilities as detailed in Note 13 at the end of the reporting period.

(ii) Maturities of financial liabilities

The tables below show the Group's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities.

Contractual maturities of financial liabilities	1 year or less $'000	Between 1 and 2 years $'000	Between 2 and 5 years $'000	Over 5 years $'000	Total contractual cash flows $'000
At 30 June 2017					
Non-derivatives					
Trade and other payables	82,755	-	-	-	82,755
Borrowings including interests payment for the year	19,010	18,382	72,127	-	109,519
Other liabilities	19,282	1,727	664	155	21,828
Total non-derivatives	**117,037**	**16,727**	**70,644**	**155**	**214,102**

Contractual maturities of financial liabilities	1 year or less $'000	Between 1 and 2 years $'000	Between 2 and 5 years $'000	Over 5 years $'000	Total contractual cash flows $'000
At 30 June 2016					
Non-derivatives					
Trade and other payables	55,752	-	-	-	55,752
Other liabilities	13,364	14,115	-	-	27,479
Total non-derivatives	**69,116**	**14,115**	**-**	**-**	**83,231**

25 Capital management

(a) Risk management

The Group's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders; and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets.

The Group has no gearing restrictions and as such the capital management policies are designed around providing sufficient cashflow for operational activities including maintaining required security deposits and the provision of dividends based on a payout ratio of 60% to 80% of amaysim's underlying NPATA.

26 Interests in other entities

(a) Interests in associates and joint ventures

In 2016 The Group had an interest in Octopus Ventures Inc (incorporated joint venture) and Airtasker Pty Limited. The carrying value of these interests are individually immaterial.

During the financial year the investment in Airtasker was sold and a gain of $2,032k was recognised in statement of comprehensive income.

27 Contingent liabilities

(a) Contingent liabilities

The directors are of the opinion that provisions are not required in respect of any contingent matters, as for any of these matters it is not probable that a future sacrifice of economic benefits will be required or the amount is not capable of reliable measurement.

(i) Deed of cross guarantee

Pursuant to ASIC Class Order 98/1418, the wholly-owned subsidiaries as mentioned below are relieved from the Corporation Act 2001 requirements for preparation, audit, and lodgement of financial reports and directors' report.

As a condition of the Class Order, amaysim Australia Limited and its subsidiaries (closed group) entered into a Deed of Cross Guarantee. The effect of the Deed is that amaysim Australia Limited has guaranteed to pay any deficiency in the event of the winding up of any of those subsidiaries.

Those subsidiaries have also given a similar guarantee in the event that amaysim Australia Limited is wound up.

The deed was executed on 9 June 2016 and was amended on 11 November 2016 to add new subsidiaries.

The subsidiaries subject to the Deed at the end of the reporting period are:

- amaysim Australia Limited
- amaysim Services Pty Limited
- EastPoint IP Pty Limited
- Vaya Pty Limited
- Live Connected Holdings Pty Limited
- Live Connected Incubator Pty Limited
- Live Connected Pty Limited
- Zenconnect Pty Limited
- Australian Broadband Services Pty Ltd
- amaysim Operations Pty Limited
- amaysim Ventures Pty Limited
- amaysim Labs Pty Limited
- amaysim SaleCo Limited

The above companies represent a 'closed group' for the purposes of the Class Order.

Key financial information relating to the closed group is summarised below for the year ended 30 June 2017.

Statement of Comprehensive Income

	2017 $'000	2016 $'000
Revenue from continuing operations	**262,466**	241,890
Other Revenue	**12,240**	11,647
Other Income	**2,032**	-
Interest Income	**148**	488
Network related expenses	**(191,934)**	(168,489)
Marketing expenses	**(7,120)**	(12,466)
Employee benefits expense	**(21,378)**	(21,802)
Depreciation and amortisation expense	**(7,662)**	(5,319)
IPO expenses	**-**	(8,633)
Acquisition expenses	**(8,215)**	(1,734)
Finance costs	**(3,337)**	(1,755)
Other expenses	**(18,396)**	(15,380)
Profit before income tax	**18,844**	18,447
Income tax expense	**(8,973)**	(6,171)
Profit attributable to the owners of the closed group	**9,871**	12,276

Consolidated balance sheet

Set out below is a consolidated balance sheet as at 30 June 2017 of the closed group consisting of amaysim Australia Limited and the subsidiaries subject to the Deed.

	2017 $'000	2016 $'000
Current assets		
Cash and cash equivalents	**3,131**	13,340
Trade and other receivables	**9,388**	9,374
Other current assets	**3,908**	1,016
Total current assets	**16,427**	23,730
Non-current assets		
Property, plant and equipment	**1,274**	1,017
Intangible assets	**83,472**	76,711
Deferred tax assets	**3,460**	1,399
Other non-current assets	**128,659**	13,573
Total non-current assets	**216,865**	92,700
Total assets	**233,291**	116,430
Current liabilities		
Trade and other payables	**44,001**	55,690
Customer deposits	**2,863**	3,324
Deferred revenue	**9,870**	7,449
Borrowing – current	**13,604**	-
Provisions	**2,080**	2,591
Current tax liabilities	**8,298**	694
Total current liabilities	**80,716**	69,748
Non-current liabilities		
Provisions	**612**	759
Borrowing – non current	**82,558**	13,642
Total non-current liabilities	**83,170**	14,401
Total liabilities	**163,886**	84,149
Net assets	**69,405**	32,281
Equity		
Contributed equity	**114,733**	62,538
Equity compensation reserve	**(5,009)**	2,780
Retained earnings	**23,652**	30,934
Accumulated losses (prior year)	**(63,971)**	(63,971)
Total equity	**69,405**	32,281

28 Commitments

(a) Lease commitments:

Non-cancellable operating leases.

Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:

	Consolidated entity Year ended 30 June	
	2017 $'000	2016 $'000
Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:		
Within one year	2,608	1,855
Later than one year but not later than five years	5,128	6,405
Later than five years	-	-
Minimum lease payments	**7,736**	8,260

(b) Capital commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

	Consolidated entity Year ended 30 June	
	2017 $'000	2016 $'000
Property plant and equipment	-	292

29 Related party transactions

(a) Parent entities

The ultimate parent entity is amaysim Australia Limited.

(b) Subsidiaries

amaysim Australia Limited has the following subsidiaries:

Entity name	Country of incorporation	Equity Interest as at 30 June 2017	2016
amaysim Services Pty Limited	Australia	100%	100%
Eastpoint IP Pty Limited	Australia	100%	100%
amaysim Operations Pty Limited	Australia	100%	100%
amaysim Ventures Pty Limited	Australia	100%	100%
amaysim Labs Pty Limited	Australia	100%	100%
amaysim SaleCo Limited	Australia	100%	100%
Vaya Pty Limited	Australia	100%	100%
Zenconnect Pty Limited	Australia	100%^	100%^
LiveConnected Holdings Pty Limited	Australia	100%^	100%^
LiveConnected Pty Limited	Australia	100%^	100%^
LiveConnected Incubator Co Pty Limited	Australia	100%^	100%^
Oz Export Support Services Corporation	Philippines	99%^	99%^
Australian Broadband Services Pty Limited	Australia	100%	-
Click Energy Group Holdings Pty Limited	Australia	100%	-
On the Move Pty limited	Australia	100%^^	-
Click Energy Pty Limited	Australia	100%^^	-
M2C Services Pty Limited	Australia	100%^^	-
A.C.N 133 799 149 Pty Limited	Australia	100%^^	-

^ Equity is held through Vaya Pty Limited

^^ Equity is held through Click Energy Group Holdings Pty Limited

All subsidiaries have a 30 June financial year end, except for Oz Export Support Services Corporation which has a 31 December financial year end.

In order to comply with Philippines shareholding requirements, 1% of the shareholding in Oz Export Support Services Corporation must be held locally. The Company has effective control of Oz Export Support Services Corporation (subject to certain local regulatory requirements) and it has been consolidated on this basis.

Various intercompany loans are in existence between the parent entity and some of its wholly owned subsidiaries. The loans are unsecured, interest free and have no fixed terms for repayment. The loans are a net asset to the parent entity of $21,482,983.

The Company engages amaysim Services Pty Limited to provide Customer support services.

Oz Export Support Services Corporation is engaged to provide Customer Services Centre and software development services.

Eastpoint IP Pty Limited is an entity which was used to acquire the amaysim trademark.

Vaya Pty Ltd and its subsidiaries were acquired by amaysim as an Australian online-only mobile services provider and has been fully integrated into amaysim.

During the year the Company acquired the equity in Click and AusBBS. Details of the acquisition are set out in Note 17.

(c) Transactions with other related parties

Unless otherwise disclosed, transactions with other related parties are made on normal commercial terms and conditions.

The Group carries out its business over 4 floors at 17-19 Bridge St, Sydney. This building is owned by Bridgelane Holdings Pty Limited (Bridgelane). Bridgelane is owned by a minority shareholder in the Group. The leasing agreements are based on normal commercial terms and conditions and managed by an external and independent building management entity (Colliers International (NSW) Pty Limited).

(d) Key management personnel compensation

	Consolidated entity Year ended 30 June	
	2017 $	2016 $
Short-term employee benefits	**3,113,914**	2,771,487
Post-employment benefits	**129,693**	110,665
Long-term benefits	**55,346**	25,968
Share-based payments	**718,471**	799,617
Total	**4,017,424**	3,707,737

30 Share-based payments

(a) Long term incentive plan (LTIP)

Last year, amaysim Australia Limited issued Long term incentive plan options (LTIP) to key executives for the first time, in line with the Remuneration Committee's strategy of retaining executive and aligning the remuneration of executives with long term shareholder wealth creation.

In FY2017, new LTIP have been issued to KMP newly nominated, following the Group's restructure during the year.

The new plan issued for the amaysim KMP is similar to the previous plan; the LTIP issued to Dominic Drenen is based on Click's financial performance for the first year, and on the Group's financial performance for the second and third year.

The options vest in three tranches and convert into either ordinary shares or cash payment at the option of the company, subject to achieving EPS performance hurdles and the retention conditions. As settlement is at the discretion of the company the options are treated as an equity settled share based payment. A share based payment expense is reflected in employee benefits expense in the consolidated statement of comprehensive income and an offsetting amount is recognised under Equity compensation reserve in the consolidated balance sheet.

- **Executive KMP (other than Dominic Drenen)**

The vesting schedule for the EPS performance condition for each tranche is set out in the table below:

Performance level	EPS over the relevant Performance Period	Vesting level
Below threshold	< 80% of Target CAGR	0%
Threshold	80% of Target CAGR	50%
Between Threshold and Target	Between 80% and 100% of Target CAGR	Straight line vesting between 50% and 75%
Target	100% of Target CAGR	75%
Between Target and Maximum	Between 100% and 125% of Target CAGR	Straight line vesting between 75% and 100%
Maximum	> 125% of Target CAGR	100%

The relevant target Compound Annual Growth Rate (CAGR) for each performance period will be determined by the board.

- **Dominic Drenen**

Tranche 1 — Click Energy Group EBITDA in FY2018	Vesting %
Equal to 100% of target EBITDA	100%
Equal to 90% of target EBITDA	90%

Tranches 2 & 3 - EPS CAGR over the performance period	Vesting %
Less than 80% of target EPS CAGR	Nil
Equal to 80% of target EPS CAGR	50%
Between 80% and 100% of target EPS CAGR	Straight line vesting between 50% and 75%
Equal to 100% of target EPS CAGR	75%
Between 100% and 125% of target EPS CAGR	Straight line vesting between 75% and 100%
Equal to or greater than 125% of target EPS CAGR	100%

If the EPS performance condition for a performance period is not satisfied, the relevant tranche will lapse and there is no retesting of a tranche of rights at any later test date.

Once all vesting conditions are met the holder of each option can exercise that option at an exercise price of $1.80 per option in respect of Executive KMP (other than Dominic Drenen) and $1.79 in respect of Dominic Drenen. Options can be settled in cash or in shares at the discretion of the board.

Set out below are the details of all options granted and unvested under the plan:

Grant date	Tranche No.	Performance period	Vest date	Fair value per option	No. of options
15-Jul-15	1	Jul 2015 - Jun 2018	Jul-18	$0.40	1,412,500
15-Jul-15	2	Jul 2015 - Jun 2019	Jul-19	$0.42	706,250
15-Jul-15	3	Jul 2015 - Jun 2020	Jul-20	$0.43	706,250
30-Oct-15	1	Jul 2015 - Jun 2018	Jul-18	$0.83	556,330
30-Oct-15	2	Jul 2015 - Jun 2019	Jul-19	$0.83	123,518
30-Oct-15	3	Jul 2015 - Jun 2020	Jul-20	$0.83	123,518
8-Mar-16	1	Jul 2016 - Jun 2017	Jul-17	$0.54	143,346
8-Mar-16	2	Jul 2016 - Jun 2018	Jul-18	$0.54	139,130
8-Mar-16	3	Jul 2016 - Jun 2019	Jul-19	$0.54	139,131
7-Feb-17	1	Jul 2015 - Jun 2018	Jul-18	$0.49	312,596
7-Feb-17	2	Jul 2015 - Jun 2019	Jul-19	$0.49	156,297
7-Feb-17	3	Jul 2015 - Jun 2020	Jul-20	$0.49	156,297
1-May-17	1	Jul 2017 - Jun 2018	Jul-20	$0.44	1,370,224
1-May-17	2	Jul 2018 - Jun 2019	Jul-20	$0.44	613,746
1-May-17	3	Jul 2019 - Jun 2020	Jul-20	$0.44	613,746
1-May-17	1	Jul 2017 - Jun 2018	Jul-19	$0.43	185,770
1-May-17	2	Jul 2018 - Jun 2019	Jul-19	$0.43	185,770
					7,644,419

The long term incentive options were valued by an independent valuer using the monte-carlo simulation model based on the following assumptions:

Grant date	15 July 2015	30 Oct 2015	8 March 2016
Option consideration	Nil	Nil	Nil
Exercise price	$1.80 per option	$1.80 per option	$1.80 per option
Share price	$1.80	$2.53	$1.78
Volatility	34%	34%	75% in first year, 34% in remaining years
Expected dividend yield	4.4%	4.4%	4.4%
Risk-free interest rate	1.925% – 2.94%	1.74% – 2.61%	1.95% – 2.56%

Grant date	7 February 2017	1 May 2017
Option consideration	Nil	Nil
Exercise price	$1.80 per option	$1.79 per option
Share price	$1.92	$1.82
Volatility	50% in first year, 40% in second year 30% in last year	50% in first year, 40% in second year 30% in last year
Expected dividend yield	4.8%	4.8%
Risk-free interest rate	1.790% – 2.695%	1.675% – 2.575%

(b) Employee share rights plan (ESRP)

The amaysim employee share rights plan was established in May 2012. The plan was designed to provide an incentive to employees who joined amaysim in its formative years and ensure that employees received a reward based on their contribution to the success of the Group. Participation in the plan was at the Group's discretion and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits.

Rights vest under the plan if the following two conditions are satisfied: (1) amaysim successfully executes a liquidation event, either in the form of an IPO, trade sale, or merger; and (2) the employee meets the employment condition.

amaysim Australia Limited successfully listed on the ASX on 15 July 2015 and as a result the first vesting condition was satisfied. If the employee meets the employment condition each right will convert to 145 ordinary shares in amaysim Australia Limited.

The rights convert to ordinary shares in three tranches over a two year period (1/3 at liquidation date of 15 July 2015; 1/3 twelve months after liquidation; 1/3 twenty four months after liquidation). A share based payment expense is reflected in employee benefits expense in the consolidated statement of comprehensive income and an offsetting amount is recognised under Equity compensation reserve in the consolidated balance sheet.

Rights granted under the plan do not carry any dividend or voting rights. The exercise price of each right is NIL.

amaysim has the discretion to determine if the rights are paid out in shares or shares are sold on the ASX and the proceeds provided to employees in cash.

The following table sets out a summary of the ESRP and the movement of rights during the financial year:

Tranche	Balance 1 July 2016	Forfeited during the year	Conversion of tranche 3 into tranche 2*	Exercised during the year	Balance 30 June 2017
Tranche 1	-	-	-	-	-
Tranche 2	15,061	-	1,342	(16,403)	-
Tranche 3	14,950	(242)	(1,342)	-	13,366
Total	**30,011**	**(242)**	**-**	**(16,403)**	**13,366**

No ESRP rights were granted during the financial year.

On 15 July 2015, 16,151 share rights converted to 2,341,938 ordinary shares in amaysim Australia Limited at a price of $1.80 each. On 25 August 2016, 16,403 share righted vested and converted in 2,378,485.

The last tranche rights will vest in August 2017.

Fair value of employee share rights granted

The weighted average fair value of rights at grant date was $52.94 per right. The fair value at grant date was independently determined using a Monte-Carlo simulation valuation using the following assumptions:

Expected IPO date	31 July 2015
Share price target	2 times the exercise price
Volatility	80%
Risk free interest rate	Australian Government Bond Rates (between 2.24% – 3.28%)
Dividend Yield	0%

The volatility assumption is representative of the level of uncertainty expected in the movements of the Group's share price over the life of the plan. amaysim being a relatively new company in a mature industry we would be expected to have a high level of volatility. The higher the volatility assumption chosen, the less sensitive the rights valuations to the assumptions chosen. The board has been guided by the sensitivity and observed volatility of other startup companies and have chosen a volatility assumption of 80%.

31 Remuneration of auditors

The following fees were paid or payable by the amaysim Group for and on behalf of all group entities for services provided by the auditor and its related practices during the financial year:

(a) PricewaterhouseCoopers

(i) Audit and other services

	Consolidated entity Year ended 30 June	
	2017 $	2016 $
Audit and review of financial statements	**668,000**	425,400
Total	**668,000**	425,400

(ii) Other services

	Consolidated entity Year ended 30 June	
	2017 $	2016 $
Audit of regulatory services	**30,000**	-
Accounting advice	**85,000**	-
Tax advice and due diligence services	**393,842**	400,600
Control and business processes	**241,912**	-
Risk services	**61,200**	-
Total remuneration for other services	**811,954**	400,600
Total remuneration of PricewaterhouseCoopers	**1,479,954**	826,000

(b) Network firms of PricewaterhouseCoopers Australia

(i) Audit and other services

	Consolidated entity Year ended 30 June	
	2017 $	2016 $
Audit and review of financial statements - Philippines	**30,000**	15,000
Total auditors' remuneration	**1,509,954**	841,000

32 Parent entity financial information

(a) Summary financial information

The individual financial statements for the parent entity show the following aggregate amounts:

	2017 $'000	2016 $'000
Net profit after tax for the year	**5,870**	12,508
Total comprehensive income	**5,870**	12,508
Balance sheet		
Current assets	**34,329**	32,740
Non-current assets	**174,361**	43,170
Total assets	**208,689**	75,909
Current liabilities	**45,531**	40,549
Non-current liabilities	**97,451**	2,784
Total liabilities	**142,983**	43,334
Net Assets	**65,707**	32,575
Equity		
Issued capital	**114,733**	62,538
Equity compensation reserve	**(5,010)**	2,780
Retained earnings	**19,928**	31,201
Accumulated losses (prior years)	**(63,944)**	(63,944)
	65,707	32,575

33 Events occurring after the reporting period

(a) Addition to the syndicated banking facility

On 3 July 2017, Westpac Corporation has joined the syndicated banking facility on the same terms as CBA taking up a 50% of the Facility.

(b) Dividend payable

The directors declared a dividend of 5.1 cents per share on 28 August 2017. Further details are set out on Note 7 of this report. No provision has been made in the Accounts for dividends payable at 30 June 2017.

Directors' Declaration

for the year ended 30 June 2017

In the opinion of the directors of the Company:

(a) the financial statements and notes set out on pages 54 to 95 and the Remuneration Report set out in this Report, are in accordance with the Corporations Act 2001, including:

(i) complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements, and

(ii) giving a true and fair view of the consolidated entity's financial position as at 30 June 2017 and of its performance for the year ended on that date, and

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable, and

(c) at the date of this declaration, there are reasonable grounds to believe that the members of the extended closed group, as set out in Note 27, will be able to meet any obligations or liabilities to which they are, or may become, subject by virtue of the Deed of Cross Guarantee.

Note 1(a) confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The directors have been given the declarations by the chief executive officer and chief financial officer required by section 295A of the Corporations Act 2001.

This declaration is signed in accordance with a resolution of directors.

Andrew Reitzer	**Julian Ogrin**
Director	Director
Sydney	Sydney
28 August 2017	

Audit Report

Independent auditor's report

To the shareholders of amaysim Australia Limited

Report on the audit of the financial report

Our opinion

In our opinion:

The accompanying financial report of amaysim Australia Limited (the Company) and its controlled entities (together the Group) is in accordance with the *Corporations Act 2001*, including:

a. giving a true and fair view of the Group's financial position as at 30 June 2017 and of its financial performance for the year then ended
b. complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What we have audited

The financial report comprises:

- the consolidated balance sheet as at 30 June 2017
- the consolidated statement of comprehensive income for the year then ended
- the consolidated statement of changes in equity for the year then ended
- the consolidated statement of cash flows for the year then ended
- the notes to the consolidated financial statements, which include a summary of significant accounting policies
- the directors' declaration.

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

Independence

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (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.

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Our audit approach

An audit is designed to provide reasonable assurance about whether the financial report is free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial report as a whole, taking into account the geographic and management structure of the Group, its accounting processes and controls and the industries in which it operates.

The principal activity of the Group during the financial year was the provision of mobile telecommunications services. During the year the Group has made a number of acquisitions, with the most significant being the acquisition of Click Energy Group Holdings Pty Ltd (Click) on 1 May 2017 and as a result the Group diversified into the provision of retail energy services.

Materiality

- For the purpose of our audit we used overall Group materiality of $1,500,000, which represents approximately 5% of the Group's adjusted profit before tax.
- We applied this threshold, together with qualitative considerations, to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements on the financial report as a whole.
- We chose the adjusted Group profit before tax after adding back the acquisition related costs because, in our view, it is one of the benchmarks against which the performance of the Group is commonly measured and is a generally accepted benchmark.
- We utilised a 5% threshold based on our professional judgement, noting it is within the range of commonly acceptable thresholds.

Audit Scope

- Our audit focused on where the Group made subjective judgements; for example, significant accounting estimates involving assumptions and inherently uncertain future events.
- Our audit procedures were performed at the Group finance function in Sydney and at Click's Melbourne office.

Key audit matters

- Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the current period. The key audit matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Further, any commentary on the outcomes of a particular audit procedure is made in that context. We communicated the key audit matters to the Audit and Risk Management Committee.

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Key audit matter	How our audit addressed the key audit matter
Mobile revenue recognition *Refer to note 1(d)(i) and 2* We have focused on mobile revenue recognition due to the magnitude of the balance, the complexity of the telecommunications services, and the Group's billing systems, including reliance on customer usage information provided by third parties and certain manual processes and reconciliations for financial reporting. Complex manual calculations, dependent on information from multiple sources, are used by the Group for the deferred and accrued mobile revenue calculations to determine the timing of revenue recognition in the relevant financial period and require significant audit effort.	Our audit procedures included: • Considering and assessing the Group's application of accounting policies to the mobile revenue amounts; • Evaluating and sample testing controls over the mobile revenue billing system such as the reconciliation of customer usage between the Group's system and third party reports; • Sample testing the reconciliation from the billing system to the general ledger and sample testing journals processed between the billing system and general ledger; • Sample testing of system generated reports to validate the completeness and accuracy of the reports; • Sample testing the accuracy and timing of revenue recognised by the Group from unlimited mobile plans by comparing to our independent expectation derived from published plan price information and the number of plans obtained from third party invoices and reports; • Assessing the timing of revenue recognition by: a) testing the mathematical accuracy of the Group's total deferred and accrued revenue calculation at financial year end; b) testing the reconciling inputs in the calculation to the billing system schedules and cash reports;

Key audit matter	How our audit addressed the key audit matter
	c) testing all material reconciling items to supporting documentation. • Assessing the Group's accounting policy and adequacy of the Group's disclosure of mobile revenue recognition.
Recognition of unbilled energy revenue and unbilled wholesale and network costs *Refer to note 1(c)(iv) and (vi), 1(d)(iii), 10 and 12* Specific to the energy business, we have focused on the recognition of the unbilled revenue and related wholesale and network distribution costs, which represent the revenue and costs of electricity and gas supplied to customers between the last meter reading or last network supplier invoice and the financial year end date. The unbilled energy revenue and unbilled wholesale and network cost accruals were a key audit matter due to the judgement required by the Group to estimate them.	Our audit procedures included: • Assessing the Group's estimates of unbilled revenue and unbilled wholesale and distribution cost accruals and the reasonableness of underlying assumptions (such as average daily load adjusted for seasonality and price data) by: a) sample testing the mathematical accuracy of the Group's calculations; b) testing a sample of volume and price data to relevant information in the purchases, sales and other systems; c) sample testing the reconciliation from the subsidiary ledger to the general ledger. • Considering and assessing the adequacy of the Group's accounting policies and disclosures in respect of unbilled energy revenue and unbilled wholesale and network costs.

Key audit matter	*How our audit addressed the key audit matter*
Accounting for acquisition of Click *Refer to note 1(k) and 17(b)* We have focused on Click due to it being the most significant acquisition of the Group. During the year the Group made a number of business acquisitions. Accounting for acquisitions requires the exercise of significant judgment including the determination of purchase consideration, identification and assignment of fair values to the assets and liabilities acquired. The Group engaged an independent third party valuation expert to assist them in the determination of the purchase consideration and assignment of provisional fair values at 30 June 2017. As Click was only acquired on 1 May 2017, the acquisition accounting at the end of the financial year is provisional pending finalisation of the fair values of the assets and liabilities acquired.	Our audit procedures included: • Reading the share sale agreement for Click acquisition and assessing the appropriateness of the accounting for the consideration paid by comparing to bank statements and issued shares. • Assessing, with the assistance of our valuation experts, the work performed by the Group's valuation experts over the provisional purchase price allocation to assets and liabilities acquired and the provisional valuation of intangible assets as at 30 June 2017 by: a) assessing the appropriateness of the methodology adopted by the Group and its appointed expert for calculating the fair values; b) considering the reasonableness of the key valuation assumptions such as the discount rate and challenging inputs used in the Group's valuation models such as customer numbers, revenue growth rate, attrition rate and average revenue per customer by comparing them to historical data. • Reconciling the identified provisional fair values to the accounting records; • Considering and assessing the adequacy of the Group's business combination disclosures.

Key audit matter	*How our audit addressed the key audit matter*
Carrying value of goodwill *Refer to note 1(i)(i) and 16* The Group's goodwill and carrying value is determined at the cash generating unit (CGU) level. The Group has three CGUs being "Mobile Services", "Energy", and "Broadband Services". With the assistance of an independent expert, the Group determined the carrying value by comparing it to a recoverable amount assessment for each CGU at 30 June 2017. The Group concluded that no impairment charge was required. We have focussed on the carrying value of goodwill for the Mobile Services and Energy CGUs because of the relative size of the balances at the financial year end and the judgement involved by the Group in assessing the carrying value of goodwill.	Our audit procedures included: • Evaluating the Group's identification of the CGUs and the adequacy of the disclosures; • Challenging the reasonableness of the Group's assumptions in the recoverable amount models by performing the following procedures for the Mobile Services and Energy CGUs; a) engaging our valuation experts to assess the discount rate and terminal growth rate by comparing them against market benchmarks; b) testing the mathematical accuracy of the Group's cash flow models and agreeing revenue, gross margin and EBITDA to Group's Board approved financial year 2018 budget and financial years 2019 to 2022 forecasts; c) assessing the reliability of Group's forecasts for revenue and EBITDA through a review of the Group's actual performance against previous forecasts and challenged the Group's growth assumptions; d) testing the sensitivity of the Group's models for reasonable possible changes to the assumptions for growth rates and discount rates.

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Key audit matter	*How our audit addressed the key audit matter*
Valuation of financial instruments. *Refer to note 1(j), 14, 24* The Group has derivative financial instruments to hedge its exposure to variability in energy volumes and prices. We have focused on this area because the valuation of the derivative financial instruments is complex and requires significant judgement by the Group over key assumptions including expected volumes and prices.	Our procedures included: • Evaluating the Group's hedging policy and disclosures. • Reconciling a sample of significant hedging contracts entered into during the financial year to the financial records. • Assessing the Group's financial instruments fair value calculation by: a) considering the methodology adopted by the Group for calculating the fair values as at 30 June 2017; b) sample testing and challenging key inputs used in the valuation models such as price and expected volumes by comparing expected volume forecasts to actual volumes achieved historically.

Other information

The directors are responsible for the other information. The other information comprises About amaysim, Our Products, Awards, FY2017 Group Financial Highlights, Chairman Letter, Chief Executive Officer Letter, Operational Overview, Dividends, Corporate Governance Statement, Risks, Corporate Social Responsibility, Shareholder Information, Directors' Report, Information on Directors, and the Glossary included in the Group's annual report for the year ended 30 June 2017 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 identified above 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.

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Responsibilities of the directors for the financial report

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

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or 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 the financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar1.pdf. This description forms part of our auditor's report.

Report on the remuneration report

Our opinion on the remuneration report

We have audited the remuneration report included in pages 36 to 49 of the Directors' Report for the year ended 30 June 2017.

In our opinion, the remuneration report of amaysim Australia Limited for the year ended 30 June 2017 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

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

PricewaterhouseCoopers

PricewaterhouseCoopers

S Prakash

S Prakash
Partner

Sydney
28 August 2017

Glossary

Term	Meaning
3G	Third generation mobile telecommunications. These are broadband mobile telecommunication services which support voice channels, IP-based video and data service
4G	Fourth generation mobile telecommunications. These are enhanced broadband mobile telecommunication services which support voice, video and data services over an all-IP network
4G Plus	4G including 700MHz network
AAS	Australian Accounting Standards
AASB	Australian Accounting Standards Board
AusBBS	Australian Broadband Services Pty Ltd
ADMA	Association for Data-Driven Marketing & Advertising
amaysim	The business carried out by the “amaysim” brand
Appendix	An appendix to this Annual Report
ARPU	Average revenue per subscriber, calculated as net revenue for the period divided by average subscribers for that period, and expressed on a monthly basis
ASX	ASX Limited (ACN 008 624 691) or the market operated by ASX Limited, as the context requires
ASX Listing Rules	Official listing rules of ASX
Board or Board of Directors	The board of directors of the Company
BYO or Bring Your Own	Subscribers that use Mobile Services by way of their own devices instead of purchasing a device from the Mobile Service Provider
CAGR	Compound annual growth rate
Capital Expenditure	A combination of capitalised product development costs and other costs primarily related to property, plant and equipment
CEO	Chief Executive Officer
CFO	Chief Financial Officer

Term	Meaning
Churn	A telecommunications industry measure of the number or proportion of subscriptions that disconnected from a telecommunications provider's service over a period of time
Click	Click Energy Group Holdings Pty Ltd
Company	amaysim Australia Limited (ACN 143 613 478)
Corporations Act	Corporations Act 2001 (Cth)
Director	Each of the directors of the Company from time to time
Dividend Policy	Has the meaning given to that term in the Dividends section of this report
DIY	Do it yourself which is in reference to self-service
EBIT	Earnings before interest and tax
EBITDA	Earnings before interest, tax, depreciation and amortisation
EPS CAGR	CAGR of earnings per Share
ESP	The employee share plan
Gross Profit	Total Net revenue less network expenses
Group	amaysim Australia Limited (ACN 143 613 478) and its subsidiaries
IFRS	International Financial Reporting Standards
IT	Information Technology
KPI	Key Performance Indicator
LTI awards	Options or performance rights to subscribe for or be transferred Shares, which may be offered to eligible employees (including executives, officers and permanent employees) selected by the Directors at their discretion
LTIP or Long Term Incentive Plan	amaysim's long term incentive plan, under which LTI awards may be offered to eligible employees (including executives, officers and permanent employees) selected by the Directors at their discretion
MNO or Mobile Network Operator	Mobile network operator which holds licences to use radio frequency spectrum and owns or operates wireless communications networks, including towers, base stations and switching centres. They are the dominant type of MSP and typically offer lock-in

Term	Meaning
	contracts with subsidised handsets
Mobile Services	2G, 3G and 4G mobile services including voice calling, video calling, SMS and multimedia messaging throughout Australia and between Australia and international destinations, data and a range of information, entertainment and connectivity services related to those services
MSP or Mobile Services Provider	A provider of Mobile Services
MVNO or Mobile Virtual Network Operator	Mobile virtual network operator which purchases wholesale services from MNOs and does not operate mobile network infrastructure. A MVNO inserts its own brand and addresses a particular market segment. MVNOs are generally free to set their own tariffs and distribute SIMs under their brand through their own distribution channels. They also provide their own customer service
Net Revenue	Net Revenue means total service revenue and other revenue
NPAT	Net profit after tax
NPATA	Net profit after tax and after adding back the tax affected amortisation relating to acquired contracts and intangibles other than software
NPS or Network Service Agreement or NSA	Net Promoter Score is a management tool that can be used to gauge the loyalty of a firm's customer relationships; it serves as an alternative to traditional customer satisfaction research
NSA	amaysim's wholesale network supply agreement with Optus
Optus	Each of Optus Mobile Pty Limited (ACN 054 365 696) and Optus Networks Pty Limited (ACN 008 570 330) when used in reference to amaysim's NSA counterparty. Otherwise, Optus refers to Singtel Optus Pty Limited (ACN 052 833 208)
PwC	PricewaterhouseCoopers
PwCS or Investigating Accountant	PricewaterhouseCoopers Securities Ltd
SaleCo	amaysim SaleCo Pty Limited (ACN 605 248 315)
Shareholder	The registered holder of a Share
Shares	Fully paid ordinary shares in the capital of the Company
SIM	Subscriber Identity Module cards that contain a smart chip with memory that allows for data storage and software applications
Smartphone	A mobile phone built on a mobile operating system, with more advanced computing capability and connectivity

Term	Meaning
SMS	Short Message Service; a text message service which enables users to send short messages (160 characters or less) to other users
Subscribers	The number of active mobile accounts or active SIMs rather than individual users
TCP Code	Telecommunications Consumer Protection Code
TIO	Telecommunications Industry Ombudsman
Underlying NPATA	Net profit after tax and after adding back the tax effected amortisation expense related to acquired intangibles, IPO expenses and other acquisition, integration and transaction expenses
Vaya	Vaya Pty Ltd

www.amaysim.com.au

ABN 65 143 613 478