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22 October 2020

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

Dear Sir / Madam

2020 Annual General Meeting Presentation

Please find enclosed the 2020 Annual General Meeting Presentation for amaysim Australia Limited (ASX: AYS).

A copy of the Chief Executive Officer's script has also been lodged with the ASX and should be read in conjunction with this presentation.

Authorised by:

Alexander Feldman

amaysim | Chief Strategy Officer, General Counsel & Company Secretary

2020

Annual General Meeting

investor presentation

22 October 2020

amaysim

Board of Directors



Andrew Reitzer
Chairman



Peter O'Connell
CEO and Managing Director



Jodie Sangster
Non-executive Director



Goetz Mæuser
Non-executive Director



Craig Jackson
Non-executive Director



Rupert Greenhough
Non-executive Director

Appointment of new director in FY20



Rupert Greenhough
Non-executive Director

- Rupert Greenhough joined the Board as a Director in March 2020.
- He is an experienced finance and investment professional and has spent two decades of his career at KPMG working across the firm's audit and corporate finance practices.
- Rupert has significant practical experience in establishing and managing high growth businesses, having been a founder and director of multiple e-commerce and technology start-ups.
- He is the cofounder of Strandy Investments, a private investment company which focuses on early stage digital businesses and also holds a director position at LocalAgentFinder, Australia's leading real estate agent comparison website and at Value Comparisons Australia, an online publisher of comparison sites.
- His qualifications include a Bachelor of Science (Hons) from the University of Bristol and a graduate of the Australian Institute of Company Directors.
- Rupert is a member of the Audit and Risk Management Committee.

Executive management team



Isaac Ward
Chief Commercial Officer



Alex Feldman
Chief Strategy Officer
and General Counsel



Gareth Turner
Chief Financial Officer



Tracey Murphy
Chief People and Culture
Officer



Richard Dean
Chief Technology Officer



Renee Garner
Chief Marketing Officer

CEO presentation

amaysim is now a pure-play mobile business in a position of strength to drive further growth after sale of energy business

Sale of Energy business (following a strategic review and competitive sale process) announced on 31 August 2020, and completed on 30 September 2020, to AGL for all cash consideration of \$115 million



Realised the inherent value of the Energy business today



Removed the risks associated with ongoing exposure to regulatory intervention and a potential COVID-19 related increase in bad debt



Streamlined amaysim's focus and operations to an attractive pure-play Mobile business



Creates a strong balance sheet and capital to continue to invest in the growth of Mobile as amaysim progresses the tender for its network wholesale provider



Proceeds and repayment of \$53.05 million of debt has significantly strengthened the balance sheet



Gross debt now less than \$24 million and net debt position is nil given positive cash position



Post transaction fees and completion adjustments, the total net proceeds of the transaction will be no less than \$50 million

Mobile returned to growth in FY20 and was supported by



NSA

- Commitment to a wholesale bulk-buying approach has delivered greater flexibility and agility to launch new plans
- Enabled us to launch new highly competitive plans within days of signing the new agreement
- Ongoing ability to quickly update plans and adapt faster to changing market dynamics
- Ability to reward our loyal customers more often with additional inclusions



Retention

- Focus on rewarding customer loyalty and leveraging the new customer data platform (CDP) which enables better personalisation and automation
- Updates to the customer renewal journey and improving user experience driving lower churn – 1.9% monthly average in 1Q21
- Exceptional customer service and great value plans delivering NPS of +55 – up from +44 in the 12 months prior



Marketing

- Increased marketing spend and activity enabled us to raise brand awareness and drive our organic customer acquisition growth
- 'Always on' marketing approach saw us launch more frequent campaigns to keep us front of mind for consumers
- Endless Summer campaign offering unlimited data resulted in a significant boost to high ARPU plan sales and also brand awareness; unprompted brand awareness an average of 19% in FY20 and peaked at 22% following the campaign



Acquisitions

- Acquisition of Jeenee Mobile in December 2019 added 41,000 recurring mobile subscribers
- Acquisition of OVO Mobile subscribers in June 2020 added a further 74,000 recurring mobile subscribers and 3,000 As You Go subscribers
- Both acquisitions were successfully integrated with minimal impact to the customer - resulting in a churn rate that was better than our expectations

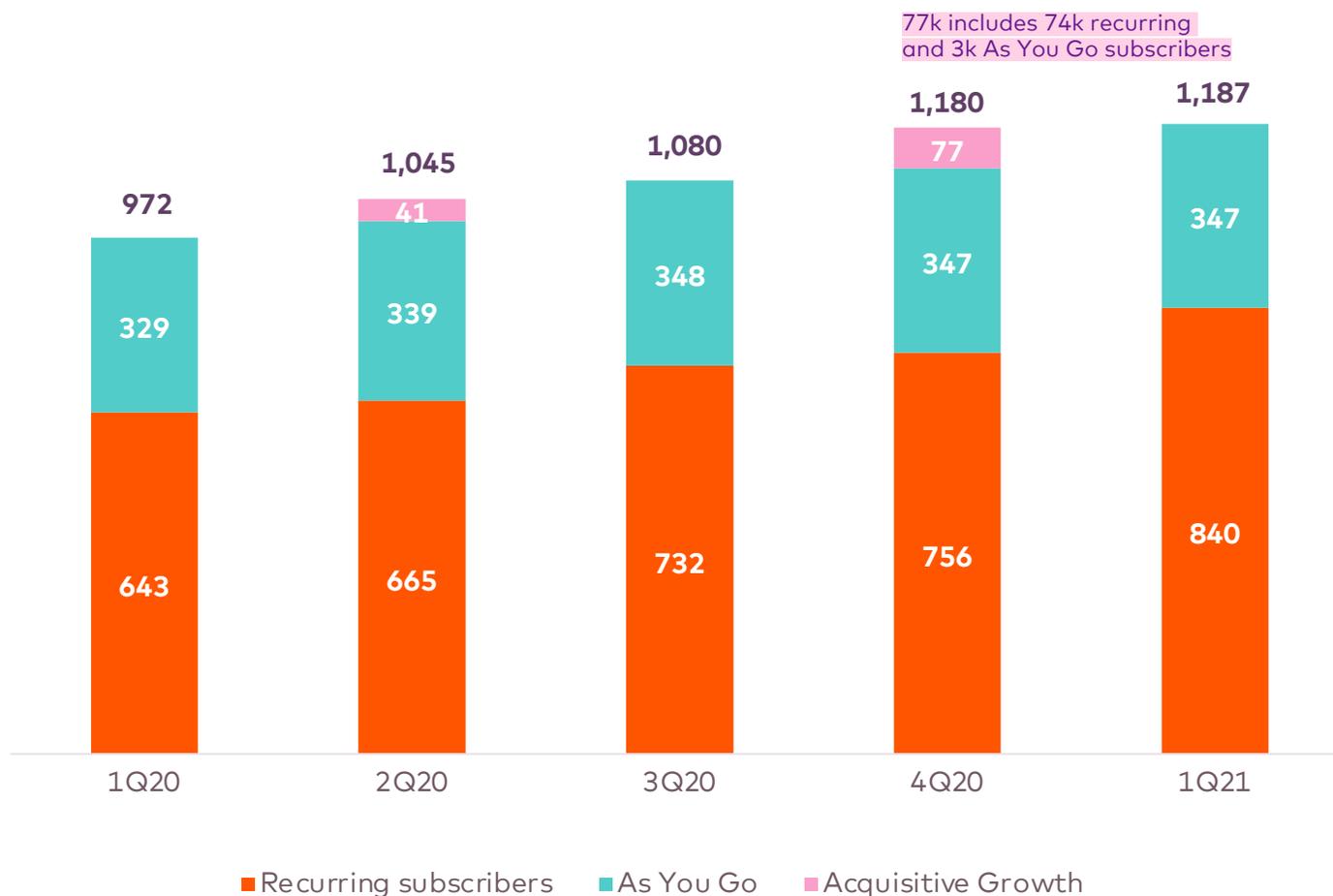
The additional capital from the sale of Energy provides support to drive further growth in FY21

Mobile metrics are climbing

15% organic growth of recurring subscriber base in FY20 with +91,000 subscribers	18% acquisitive growth of recurring subscriber base in FY20 with +115,000 subscribers	33% total growth of recurring subscriber base in FY20
24% growth of total mobile base in FY20	Total mobile customers of 1.19 million as at 20 October 2020	844,000 recurring mobile subscribers as at 20 October 2020
Churn in Q1 FY21 was 1.9%, down from 2.4% in Q1 FY20 and 2.2% for FY20	Unprompted brand awareness of 19% in FY20 versus 16% in FY19 (average monthly score) – peaking at 22% in the March quarter	NPS of +55 in August 2020 quarter up from from +44 in the 12 months prior

Mobile growth continued in FY21; softening in retail

Quarterly subscriber growth (000)



ARPU stabilising
\$21.60 in 1Q21¹ versus \$21.77 in FY20

ARR increasing
~\$215m₂ at 30 September 2020 –
up from \$205m at 30 June 2020

- Average net adds of approximately 7,000 recurring subscribers per month in FY20
- Growth has slowed in Q1 FY21 due to COVID lock down measures impacting retail sales channels and online distribution, with retail experiencing a greater impact
- Focused on increasing e-commerce and new retail channels to support growth during this time
- 1Q21 has seen a greater contribution from online channels compared to FY20 and 1Q20
- ARPU continued to stabilise and annual recurring revenue (ARR) is increasing

1. ARPU of recurring subscriber base
2. ARR based on recurring subscriber base

What is driving growth?

Increased marketing spend of an additional \$9.1 million¹ in FY20 and sustained marketing drove an increase in net subscribers. This investment and activity continues in FY21 to drive further brand awareness, customer acquisition and improved retention.

Acquire

- Great value plans and campaigns to support subscriber acquisition
- 'Always on' brand and acquisition marketing
- Expansion of retail presence into new channels; ie independents and petrol stations
- Expansion of affiliates and digital channel partners to boost online sales
- Improved and tailored onboarding experience to enhance conversion rates
- Refer a Friend initiatives to drive subscriber growth and rewarding existing customers for their recommendations
- Increased in PR activity and media partnerships to raise awareness

Retain

- Improved renewal journey, making it simpler and faster for subscribers to renew their plans—enabled by marketing tech capabilities and analytics
- Win-back campaigns targeting customers that have moved to an As You Go plan and customers that have ported out to another provider
- Proactive retention supported by our customer data platform delivering better predictive analytics and ability to engage with customers at the optimal time with offers relevant to them
- Competitions and content to drive customer engagement
- Surprise and delight existing customers and reward them for their loyalty

1. Marketing expenses include promotional campaigns which involve discounts and are a reduction to revenue and do not manifest in our operating costs. Including these costs the total marketing spend increased by \$9.1m.

New competitive plans and awareness campaigns now live

New plans and offers launching in retail and online channels and significant PR and social campaigns driving brand awareness and customer engagement



New plans and offers launched in October

Retail

- \$5 for 2GB (usually \$10) and \$10 for 35GB at (usually \$30) in Woolworths, Coles and Seven Eleven
- Exclusive offers in Woolworths – 5GB for \$15

Online

- \$3 for 1.5GB
- 45GB for \$18 (usually \$40)
- Facebook offer \$10 for 35GB (usually \$30)
- Long expiry products - \$200 for 120GB with 35GB bonus data



Cost of living awareness campaign launched in September

- Supported by content created in collaboration with money saving guru Joel Gibson
- High profile media coverage and social activity driving brand awareness
- Video series targeting existing customers with value add content to drive engagement

FY21 strategy and outlook

Strategy and achievements

Focus on strategic growth of the Mobile subscriber base as we progress the tender for the mobile wholesale agreement that has the potential to deliver significant shareholder value

grow

Increased our core mobile recurring subscriber base

build

Increase our brand awareness as a customer champion

Key achievements

- 15% organic growth and 18% acquisitive growth of recurring subscriber base in FY20
- 24% growth of total base in FY20 to >1.18m
- Churn down to 1.9% monthly average in 1Q21 from 2.4% in 1Q20
- Awarded Canstar Blue's customer satisfaction award for prepaid mobile providers; best post-paid month-to-month SIM under \$40 by Finder; Mozo People's Choice Value for Money; and three WhistleOut awards

- Net promoter score (NPS) remains high: +55 for August 2020 quarter
- NPS in 2020 is the highest it has been in five years
- Lowest number of TIO complaints compared to other top 3 telecom companies²
- Average monthly unprompted brand awareness score of 19% - up from 16% YoY

Next steps

- Continued investment in FY21 into increased and sustained marketing
- Launch of new marketing and retention campaigns in September and October
- Ongoing expansion of customer acquisition funnel
- Leveraging customer data platform to continue to drive engagement and retention
- Consider complementary bolt-on acquisitions which allow us to leverage our skills and scale

- 'Always on' marketing to keep amaysim front of mind for consumers
- Reward existing customers for their loyalty by both surprising and delighting them with additional inclusions and ensuring they are on the best plans in market
- Building on social presence and social engagement with all stakeholders

1. Telsyte Australian Mobile Services Market Study 2019

2. 0.6 complaints per 10,000 customers, Telecommunications Complaints in Context, April – June 2020. Applies only to amaysim brand

What makes us an attractive partner to the MNOs and a good investment?

Lean and scalable operating model



- Underpinned by technology, our **capital-light business model** enables amaysim to acquire and service customers at a lower cost than the network operators
- **Existing operating structure supports scale** with nominal additional opex required to support the 33% organic and acquisitive growth achieved in FY20

Clear strategy supported by strong balance sheet



- **A clear strategy for long-term growth** supported by a strong and well funded balance sheet
- Sale of the Energy business has provided additional capital to enable amaysim to **focus solely on taking advantage of the growth opportunities in mobile**

Core values create a leading culture



- Practice our values of **agility, simplicity, reliability and empathy** on a daily basis
- Underpins how we conduct ourselves, how we run our business and supports a great culture

Engaged and satisfied customer base



- **Largest MVNO** with a subscriber base of over 1.19 million
- **Exceptional customer service** with an NPS that is substantially and consistently higher than the MNOs
- **Transparent and simple plans** put power back in the hands of the consumer

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- ARPU means average revenue per subscriber, calculated as net revenue for the period divided by average subscribers for that period, and expressed on a monthly basis;
- CPA means cost per acquisition or the acquisition cost per subscriber, calculated as total marketing costs divided by gross subscriber additions over the relevant period
- EBITDA means earnings before income tax excluding interest, depreciation, amortisation and impairment expense;
- EBIT means earnings before interest and tax;
- NPAT means net profit after tax; and
- Underlying figures have been calculated from statutory data and exclude the impact of non-core income and expenses, strategic investments, any acquisition related expenses including consequential changes in the value of tax assets, integration and transaction costs with a related tax adjustment where applicable and impairment costs. Refer to appendix for reconciliation between statutory and underlying results.

Although the directors of amaysim believe that these measures provide useful information about the financial performance of amaysim, they should be considered as indications or supplements to those measures that have 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.

amaysim

WhistleOut

Best Prepaid Provider – Large Plans
Best Provider, International Calls
Best Provider, Plans for Kids



Canstar

Most Satisfied Customers – Prepaid Mobile
SIM Only



Finder

Best Post-paid month-to-month (Under \$40)



Mozo

People's Choice – Value for Money

