

# Prospectus Initial public offer of shares

Aksesstoday Limited | ACN 603 323 182

Prospectus for the issue of 10 million fully paid ordinary shares  
at an issue price of \$1.00 per share to raise \$10 million

LEAD MANAGER





**Offer of 10,000,000 Shares at A\$1.00 per Share**  
to raise A\$10,000,000

## **Important notice**

### **Offer**

The Offer contained in this Prospectus is an invitation to acquire Shares in Axesstoday Limited ACN 603 323 182 (**Axesstoday**). This Prospectus is issued by Axesstoday for the purpose of Chapter 6D of the Corporations Act.

### **Lodgement and listing**

This is a replacement Prospectus dated 24 November 2016. It replaces the Original Prospectus dated 11 November 2016. A copy of this replacement Prospectus was lodged with ASIC on 24 November 2016.

Axesstoday will apply to the ASX for admission of Axesstoday to the official list of the ASX and for quotation of the Shares on the ASX within seven days after the date of this Prospectus. A copy of this Prospectus will be lodged with ASX.

Neither ASIC nor the ASX or their officers take any responsibility for the contents of this Prospectus or for the merits of the investment to which this Prospectus relates.

### **Expiry date**

No Shares will be allotted or issued on the basis of this Prospectus later than 13 months after the date of the Original Prospectus.

### **Notice to Applicants**

The information in this Prospectus is not financial product advice and does not take into account your investment objectives, financial situation or particular needs. This Prospectus should not be construed as financial, taxation, legal or other advice.

This Prospectus is important and should, along with each of the documents incorporated by reference, be read in its entirety prior to deciding whether to invest in Axesstoday's Shares. There are risks associated with an investment in the Shares and the Shares offered under this Prospectus must be regarded as a speculative investment. Some of the risks that should be considered are set out in Risk factors of this Prospectus (refer to Section 8 (Risk factors)). You should carefully consider these risks in light of your personal circumstances (including financial and tax issues).

There may also be risks in addition to these that should be considered in light of your personal circumstances. If you do not fully understand this Prospectus or are in doubt as to how to deal with it, you should seek professional guidance from your stockbroker, lawyer, accountant or other professional adviser before deciding whether to invest in the Shares.

No person named in this Prospectus guarantees Axesstoday's performance, the repayment of capital by Axesstoday or any return on investment made pursuant to this Prospectus.

## **No offer where Offer would be illegal**

### **General**

This Prospectus does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. No action has been taken to register or qualify the Shares or the Offer, or to otherwise permit a public offering of Shares, in any jurisdiction outside Australia.

The distribution of this Prospectus (including in electronic form) outside Australia may be restricted by law and therefore any person who resides outside Australia and who receives this Prospectus should seek advice on and observe any such restrictions. If you are a potential investor outside Australia and you come into possession of this Prospectus, you should observe such restrictions and should seek your own advice on such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. Axesstoday will not offer to sell, nor solicit an offer to purchase, any securities in any jurisdiction where such offer, sale or solicitation may not lawfully be made. Any failure to comply with these restrictions may constitute violation of applicable securities laws.

### **Notice to United States residents**

The securities being offered pursuant to this Prospectus have not been registered under the US Securities Act and may not be offered or sold in the United States absent registration or an applicable exemption from registration under the US Securities Act and applicable State securities laws. This Prospectus does not constitute an offer or invitation to sell, or the solicitation of an offer to buy, nor shall there be any sale of these securities in any state or other jurisdiction in which such offer, solicitation or sale would be unlawful. Any hedging transactions involving these securities may not be conducted unless in compliance with the US Securities Act and applicable US state securities laws.

### **Financial information and amounts**

Section 6 (Financial information) sets out in detail the financial information referred to in the Prospectus. The basis of preparation of the financial information is set out in Section 6 (Financial Information). All references to FY14, FY15, FY16 and FY17 appearing in this Prospectus are to the financial years ended or ending 30 June 2014, 30 June 2015, 30 June 2016 and 30 June 2017 respectively, unless otherwise indicated.

The Financial Information included has been prepared and presented in accordance with the recognition and measurement principles described in Australian Accounting Standards (AAS) adopted by the Australian Accounting Standards Board (AASB), which are consistent with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB). The Financial Information is presented in an abbreviated form and does not contain all of the disclosures,

statements or comparative information required by the Australian Accounting Standards applicable to annual financial reports prepared in accordance with the Corporations Act. Unless otherwise stated or implied, all pro forma data in this Prospectus gives effect to the pro forma adjustments referred to in Section 6.3.3. In the event of any inconsistencies, the inconsistency is identified and explained. This Prospectus also includes Forecast Financial Information based on the best estimate assumptions of the Directors. The basis of preparation and presentation of the Forecast Financial Information, to the extent applicable, is consistent with the basis of preparation and presentation for the Historical Financial Information. The Forecast Financial Information presented in this Prospectus is unaudited. The Financial Information is expressed in Australian dollars, which is the functional and reporting currency of Axsesstoday. Funds to be raised under the Offer and the Offer costs will be denominated in Australian dollars (“\$”).

Readers should be aware that certain financial data included in this Prospectus is ‘non-IFRS financial information’ under Regulatory Guide 230 ‘Disclosing non-IFRS financial information’, published by ASIC. The Company believes this non-IFRS financial information provides useful information to users in measuring the financial performance and conditions of Axsesstoday. The non-IFRS financial measures do not have standardised meanings prescribed by Australian Accounting Standards and, therefore, may not be comparable to similarly titled measures presented by other entities, nor should they be construed as an alternative to other financial measures determined in accordance with Australian Accounting Standards. Readers are cautioned, therefore, not to place undue reliance on any non-IFRS financial information or ratio included in this Prospectus.

#### **Disclaimer and forward looking information warning**

Investors should not rely on any information which is not contained in this Prospectus in making a decision as to whether to acquire Shares in Axsesstoday under the Offer. No person is authorised by Axsesstoday or the Lead Manager to give any information or make any representation in connection with the offer that is not contained in this Prospectus. Any information or representation not contained in this Prospectus may not be relied on as having been authorised by Axsesstoday, its Directors or any other person in connection with the Offer. Axsesstoday’s business, financial condition, results of operations and prospects may have changed since the date of this Prospectus.

This Prospectus contains forward-looking statements concerning Axsesstoday’s business, operations, financial performance and condition as well as Axsesstoday’s plans, objectives and expectations for its business, operations and financial performance and condition. Any statements contained in this Prospectus that are not of historical facts may be deemed to be forward looking statements. You can identify these statements by words such as “aim”, “anticipate”, “assume”, “believe”, “could”, “due”, “estimate”, “expect”, “goal”, “intend”,

“may”, “objective”, “plan”, “predict”, “potential”, “positioned”, “should”, “target”, “will”, “would” and other similar expressions that are predictions of or indicate future events and future trends.

These forward-looking statements are based on current expectations, estimates and projections about Axsesstoday’s business and the industry in which Axsesstoday operates and management’s beliefs and assumptions at the date of this Prospectus.

These forward-looking statements are not guarantees of future performance or development and involve known and unknown risks, uncertainties and other factors that are in some cases beyond Axsesstoday’s control. As a result, any or all of Axsesstoday’s forward-looking statements in this Prospectus may turn out to be inaccurate. Factors that may cause such differences include, but are not limited to, the risks described in Section 8 (Risk factors).

Potential investors and other readers are urged to consider these factors carefully in evaluating the forward-looking statements and are cautioned not to place undue reliance on the forward-looking statements. These forward-looking statements speak only as at the date of this Prospectus. Unless required by law, Axsesstoday does not intend to publicly update or revise any forward looking statements to reflect new information or future events or otherwise. You should, however, review the factors and risks Axsesstoday describes in the reports to be filed from time to time with the ASX after the date of this Prospectus.

This Prospectus contains market data and industry forecasts that were obtained from industry publications, third-party market research and publicly available information. These publications generally state that the information contained in them has been obtained from sources believed to be reliable, but Axsesstoday has not independently verified the accuracy and completeness of such information.

Some numerical figures included in this Prospectus have been subject to rounding adjustments. Accordingly, numerical figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that preceded them.

#### **Exposure Period**

The Corporations Act prohibits Axsesstoday from processing Applications under the Offer in the seven day period after the date of lodgement of the Prospectus with ASIC (**Exposure Period**). This period may be extended by ASIC for a further period of up to seven days.

The purpose of the Exposure Period is to enable this Prospectus to be examined by ASIC and market participants prior to the raising of funds under the Offer. The examination may result in the identification of deficiencies in this Prospectus.

This Prospectus will be made generally available to Australian residents during the Exposure Period, along with the draft Application Form marked “draft not for completion”, by being posted on the website [www.axsesstodaylimited.com.au](http://www.axsesstodaylimited.com.au). The final

Application Form will only be issued along with the Prospectus after the expiry of the Exposure Period. Any Applications received during the Exposure Period on the draft Application Form marked "draft not for completion" will not be processed.

#### **Obtaining a copy of this Prospectus**

A paper copy of the Prospectus will be available for Australian residents free of charge by contacting:

Link Market Services Limited (**Share Registry**)

Tel: 1800 237 687 (within Australia) or +61 1800 237 687 (outside Australia) (between 8:30 am to 5:30 pm, AEDT)

Or

Patersons Securities Limited (**Lead Manager**)

Tel: 03 9242 4000 (from within Australia) or +61 3 9242 4000 (from outside Australia)

This Prospectus will also be made available in electronic form on the website [www.axsesstodaylimited.com.au](http://www.axsesstodaylimited.com.au).

The other information on [www.axsesstodaylimited.com.au](http://www.axsesstodaylimited.com.au) does not form part of the Prospectus. The Offer constituted by this Prospectus in electronic form is available only to persons receiving this Prospectus in electronic form within Australia. Persons who access the electronic version of this Prospectus should ensure that they download and read the entire Prospectus. If unsure about the completeness of the Prospectus received electronically, or a print out of it, you should contact Axsesstoday. Applications for Shares under this Prospectus may only be made on a printed copy of the Application Form attached to or accompanying this Prospectus or by lodging an online application by visiting [www.axsesstodaylimited.com.au](http://www.axsesstodaylimited.com.au). The Corporations Act prohibits any person from passing the Application Form on to another person unless it is attached to a hard copy of the Prospectus, or the complete and unaltered electronic version of the Prospectus. If this Prospectus is found to be deficient, any Applications may need to be dealt with in accordance with section 724 of the Corporations Act.

#### **Privacy**

By completing an Application Form, you are providing personal information to Axsesstoday through the Share Registry which will manage Applications on behalf of Axsesstoday. Axsesstoday and the Share Registry on behalf of Axsesstoday, may collect, hold, use and disclose that personal information to process your Application, service your needs as a Share holder, provide facilities and services that you request and carry out appropriate administration of your investment and provide information to you about Axsesstoday and its services.

Axsesstoday will only use and/or disclose your personal information for the purposes for which it was collected, other related purposes and as permitted or required by law. If you do not

wish to provide the information requested in the Application Form, Axsesstoday and Share Registry may not be able to process your Application.

Once you become a Share holder, the Corporations Act and Australian taxation legislation require information about you (including your name, address and details of the Shares you hold) to be included on the Share register. In accordance with the requirements of the Corporations Act, information on the Share register will be accessible by members of the public. The information must continue to be included on the Share register if you cease to be a Share holder.

Axsesstoday and the Share Registry may also share your personal information with agents and service providers of Axsesstoday or others who provide services on Axsesstoday's behalf, some of which may be located outside Australia where personal information may not receive the same level of protection as that afforded under Australian law.

The types of agents and service providers that may be provided with your personal information and the circumstances in which your personal information may be shared are:

- the Lead Manager in order to assess your Application;
- the Share register for ongoing administration of the register of members;
- printers and other companies for the purposes of preparation and distribution of statements and for handling mail;
- market research companies for the purposes of analysing the Share holder and Shareholder base and for product development and planning; and
- legal and accounting firms, independent auditors, contractors, consultants and other advisers for the purposes of administering, and advising on, the Shares, Shares and associated actions.

Information contained in the Share register will also be used to facilitate dividend payments, corporate communications (including Axsesstoday's financial results, annual reports and other information that Axsesstoday may wish to communicate to its Share holders) and compliance by Axsesstoday with legal and regulatory requirements. An Applicant has a right to gain access to their personal information that Axsesstoday and Share Registry may hold about that person, subject to certain exemptions under law.

A fee may be charged for access. Access requests must be made in writing or by a telephone call to Axsesstoday's registered office or the Share Registry's office, details of which are disclosed in the corporate directory on the final page of this Prospectus.

For more details on how Axsesstoday collects, stores, uses and discloses your information, please read Axsesstoday's Privacy Policy located at [www.axsesstodaylimited.com.au](http://www.axsesstodaylimited.com.au). Alternatively, you can contact Axsesstoday by telephone on 1300 586 936 or by email at [ir@axsesstodaylimited.com.au](mailto:ir@axsesstodaylimited.com.au) and Axsesstoday

will send you a copy of its Privacy Policy free of charge. Axesstoday's Privacy Policy also contains information about how you can access and seek correction of your personal information, complain about a breach by Axesstoday of the Australian privacy laws, and how Axesstoday will deal with your complaint.

It is recommended that you obtain a copy of this Privacy Policy and read it carefully before making an investment decision.

By completing an Application Form or authorising a broker to do so on your behalf, or by providing Axesstoday with your personal information, you agree to this information being collected, held, used and disclosed as set out in this Prospectus and Axesstoday's Privacy Policy (located at [www.axesstodaylimited.com.au](http://www.axesstodaylimited.com.au)).

Axesstoday aims to ensure that the personal information it retains about you is accurate, complete and up-to-date. To assist with this, please contact Axesstoday or the Share Registry if any of the details you have provided change.

#### **Website**

Any documents included on the website [www.axesstodaylimited.com.au](http://www.axesstodaylimited.com.au) (and any reference to them) are provided for convenience only and none of the documents or other information on the website are incorporated by reference into this Prospectus, with the exception of the Corporate Governance Plan and the Historical Financial Information.

#### **Definitions, abbreviations and time**

Defined terms and abbreviations used in this Prospectus are explained in Section 12 (Glossary) of this Prospectus.

All references to time in this Prospectus refer to Australian Eastern Standard Time unless stated otherwise.

#### **Photographs, diagrams and trademarks**

Photographs used in this Prospectus should not be interpreted to mean that any person shown endorses this Prospectus or its contents or that the assets shown in them are owned by Axesstoday. Diagrams used in the Prospectus are illustrative only and may not be drawn to scale. Unless otherwise stated, all data contained in charts, graphs and tables is based on information available as at the date of this Prospectus. This Prospectus includes Axesstoday's registered and unregistered trademarks. All other trademarks, trade names and service marks appearing in this Prospectus are the property of other organisations.





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Axsesstoday Limited | ACN 603 323 182  
[www.axsesstodaylimited.com.au](http://www.axsesstodaylimited.com.au)





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## Letter from the Chairman

Dear Investor,

On behalf of the Board of Directors, I am delighted to offer you the opportunity to become a shareholder in Axsesstoday Limited (**Axsessstoday**), a provider of equipment finance to small and medium size enterprises (**SMEs**).

This Prospectus has been issued for the purpose of the Initial Public Offering and ASX listing of Axsesstoday, offering 10,000,000 Shares at \$1.00 each to raise \$10,000,000.

Axsessstoday provides Lease and Chattel Mortgage finance (**Equipment Finance Products**) to SMEs at the retail point-of-sale, in real-time through a streamlined online portal. Axsesstoday's products provide financing solutions so that our customers can access the equipment they need to operate and grow their businesses.

By listing on the ASX, Axsesstoday will strengthen its balance sheet, gain access to equity capital markets to support the further growth of the business, and enable employees and others to own equity in the company.

Axsessstoday knows the benefit of maintaining a close working relationship with its bankers and customers and understands that business conditions can change rapidly and our funding and operating model has the flexibility to respond appropriately when necessary, to variable business conditions.

It is important to us to deliver innovative funding solutions of the highest quality in terms of service, knowledge, skill and ethical behaviour because these attributes are the foundation of our success.

The Prospectus contains details of the Offer, including historical and forecast financial and operating performance, and details of the risks of investing in Axsesstoday (Section 8, Risk Factors). The key risks to the business include loss of key referral partners, credit risks, an increase in interest rates, access to funding, effectiveness of security, technology and systems failure, the risk of fraudulent activity and the actions of new and existing competitors.

I encourage you to read this document carefully in its entirety before making your investment decision.

I will be investing in the Offer and am pleased to invite you to consider investing in Axsesstoday.

Sincerely



**Kerry Daly**  
*Chairman*  
*Axsessstoday Limited*

## Important dates & key offer statistics

### Important dates

EVENT	DATE
Prospectus lodged with ASIC	11 November 2016
Opening Date	28 November 2016
Closing Date	9 December 2016
Allotment and issue of Shares under the Offer	15 December 2016
Expected date for despatch of Holding Statements	16 December 2016
Shares commence trading on ASX	21 December 2016

### *Dates may change*

These dates are indicative only and may change. Axsesstoday in consultation with the Lead Manager, reserves the right to amend any and all of the above dates without notice (including, subject to the ASX Listing Rules and the Corporations Act, to close the Offer early, to extend the Closing Date, to accept late Applications (either generally or in particular cases) or to cancel the Offer before Shares are issued by Axsesstoday). If the Offer is cancelled before the issue of Shares, then all Application Monies will be refunded in full (without interest) as soon as practicable in accordance with the requirements of the Corporations Act. Investors are encouraged to submit their Applications as soon as possible after the Offer opens.

### Key Offer statistics

Offer Price per Share	\$1.00
Total number of Shares to be issued under the Offer	10,000,000
Number of Shares held by Existing Shareholders	27,700,000
Total number of Shares on issue on Completion of the Offer	37,700,000
Gross cash proceeds to Axsesstoday from the Offer	\$10,000,000
The Offer is not underwritten	

### How to invest

Applications can only be made by completing and lodging an Application Form. Instructions on how to apply for Shares are set out in Section 2.5 and on the back of the Application Forms.

### Questions

If you have any questions in relation to the Offer, please contact the Offer Information Line on 1800 237 687 (toll free within Australia) or +61 1800 237 687 (outside Australia) between 8.30am and 5.30pm AEDT, Monday to Friday. If you are unclear in relation to any matter, or are uncertain as to whether the Company is a suitable investment for you, you should seek professional guidance from your solicitor, stockbroker, accountant or other independent and qualified professional adviser before deciding whether to invest.

## 1. Investment overview

### 1.1 General

This Prospectus provides investors with the opportunity to participate in the initial public offering of Shares in Axsesstoday, a company incorporated in Australia.

The information set out in this Section is intended to be a summary only and should be read in conjunction with the more detailed information appearing elsewhere in this Prospectus. In deciding whether to apply for Shares, you should read this Prospectus carefully and in its entirety. If you are in doubt as to the course you should follow, please consult your professional advisors.

### 1.2 Overview of Axsesstoday

TOPIC	SUMMARY	ADDITIONAL INFORMATION
<b>AXSESSTODAY AND THE BUSINESS</b>		
<b>What is Axsesstoday's business?</b>	<p>Axsesstoday is a growing provider of finance to small to medium sized enterprises (<b>SMEs</b>) for equipment including:</p> <ul style="list-style-type: none"> <li>• Hospitality – coffee machines, display units, cooking, refrigeration and dishwashing equipment;</li> <li>• Transport – used prime movers, new and used trailers, tippers, forklifts, and light commercial equipment; and</li> <li>• Other business critical equipment including commercial solar, fitness, technology equipment and other small ticket equipment.</li> </ul>	Refer to Section 3.1.1
<b>What industry does Axsesstoday operate in?</b>	Axsesstoday operates in the financial services industry and provides customised funding solutions to commercial customers in Australia.	Refer to Section 4
<b>What is Axsesstoday's business model and how does it generate income?</b>	<p>Axsesstoday mainly provides Lease finance products (<b>Equipment Finance Products</b>) to SMEs, with 99% being for terms of up to 5 years, subject to credit requirements.</p> <p>Income is generated primarily from income received from customers on Equipment Finance Products.</p> <p>In the case of Chattel Mortgages, income is the interest received by Axsesstoday under the Secured Loan Agreement and in the case of Leases, income is the Interest Component on lease payments under the Equipment Lease Agreements.</p>	Refer to Section 3.1.3
<b>What are Axsesstoday's key products?</b>	Equipment Finance Products to SMEs to purchase business critical equipment, primarily in the hospitality and transport sectors.	Refer to Section 3.1.3

TOPIC	SUMMARY	ADDITIONAL INFORMATION
<b>What is Axsesstoday's growth strategy?</b>	<p>Aksesstoday strives to maintain its growth rate by utilising the following key growth drivers:</p> <ul style="list-style-type: none"> <li>• Expand the number of Retail Merchants who refer customers to Axsesstoday;</li> <li>• Cultivate ongoing relationships with equipment vendors;</li> <li>• Continue recruitment of business development specialists to increase merchant vendor channels; and</li> <li>• Continue the development and enhancement of innovative technology platforms to improve customer experience and operational efficiencies, particularly at the point of sale.</li> </ul>	Refer to Section 3.7
<b>What are Axsesstoday's key costs in generating its revenues?</b>	<p>Aksesstoday's key costs are:</p> <ul style="list-style-type: none"> <li>• Finance costs on debt facilities used to fund the Equipment Finance Products provided to customers;</li> <li>• Employee expenses;</li> <li>• Commissions paid to Retail Merchants and other referrers of customers;</li> <li>• Provisions for lease impairments; and</li> <li>• Variable costs associated with the origination of new business, including credit bureau reports and other system related processes.</li> </ul>	Refer to Section 6
<b>What is Axsesstoday's competitive advantages?</b>	<p>Aksesstoday's competitive advantages include:</p> <ul style="list-style-type: none"> <li>• Streamlined online IT system to reduce the time required for the average application and approval process;</li> <li>• Online real time credit approval decision systems;</li> <li>• Relationships with key Retail Merchants for the referral of customers to Axsesstoday; and</li> <li>• Strong credit quality track record with loss rates of 1.3% of average Net Receivables in the year to 30 June 2016.</li> </ul>	Refer to Section 3
<b>Who are Axsesstoday's competitors?</b>	<p>Aksesstoday's competitors include a wide range of bank and non-bank finance providers, including:</p> <ul style="list-style-type: none"> <li>• Silver Chef Limited which provides equipment finance to the hospitality, transport and other sectors;</li> <li>• Flexigroup Limited and Thorn Group Limited; and</li> <li>• Major banks, regional banks and international banks.</li> </ul>	Refer to Section 4.5

TOPIC	SUMMARY	ADDITIONAL INFORMATION
<b>How does Axsesstoday expect to fund its operations?</b>	<p>Axesstoday funds its operations using a combination of debt funding, shareholder funds and operating cash flows.</p> <p>The debt funding is comprised of a bank facility and debt capital market funding. The current debt funding facilities are summarised below:</p> <ul style="list-style-type: none"> <li>• <b>Senior Corporate Debt Facility:</b> Axsesstoday has entered into an agreement for a \$47.58 million debt facility from a major bank to fund future growth. The facility will be secured by a first registered charge over Axsesstoday and each of its Subsidiaries. Drawdown under the facility and refinance of Axsesstoday's existing bank debt will occur prior to the close of the Offer.</li> <li>• <b>Corporate Bond issuances:</b> Axsesstoday has completed two \$20 million bond issuances (total of \$40 million) over the past 18 months to broaden its funding base. The Corporate Bond is secured by a second ranking security interest over all of Axsesstoday Commercial's (ACN 603 303 126 Pty Ltd) present and after acquired property and a guarantee and indemnity given by each of Axsesstoday Retail Pty Ltd, Axsesstoday and Axsesstoday Operations Pty Ltd.</li> </ul>	Refer to Section 3.6
<b>What agreements are material to Axsesstoday's business?</b>	<p>Axesstoday's material contracts consist of the following:</p> <ul style="list-style-type: none"> <li>• Equipment Lease Agreements with customers;</li> <li>• Secured Loan Agreements with customers;</li> <li>• Referral Services Agreements with Retail Merchants;</li> <li>• Facility Agreement for the Senior Corporate Debt Facility from a major bank (including security documents and Intercreditor arrangements referred to in that agreement); and</li> <li>• Corporate Bond Documents, being the Corporate Bond Trust Deed governing the terms of the Corporate Bond, (including security documents and Intercreditor arrangements referred to in that deed).</li> </ul>	Refer to Section 10
<b>What is Axsesstoday's corporate structure?</b>	<p>Axesstoday is the Australian registered parent and holding company of the Axsesstoday Group. The Axsesstoday Subsidiaries consist of:</p> <ul style="list-style-type: none"> <li>• Axsesstoday Commercial (ACN 603 303 126 Pty Ltd) – the main commercial entity which provides commercial leases in the market, and is the contractual entity that debits the customer accounts the weekly payments;</li> <li>• Axsesstoday Operations Pty Ltd – responsible for all day-to-day operations of the Axsesstoday Group including the employment of staff and the engagement of various service providers relating to the operations of the Axsesstoday business; and</li> <li>• Axsesstoday Retail Pty Ltd (discontinued operations) – this entity provided consumer lease products. The business ceased originating new consumer leases in April 2016.</li> </ul>	Refer to Section 3.1.2



TOPIC	SUMMARY	ADDITIONAL INFORMATION
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#### REASONS FOR SEEKING ADMISSION TO THE ASX

<b>Why is Axesstoday seeking admission to the Official List of the ASX?</b>	<p>Axesstoday is seeking admission to the Official List of the ASX to:</p> <ul style="list-style-type: none"> <li>• raise funds for the purposes described in Section 2.2;</li> <li>• broaden the shareholder base (including with employees) and provide a liquid market for Shares in Axesstoday;</li> <li>• provide Axesstoday ongoing access to capital through a respected securities exchange to pursue growth opportunities and improve capital management flexibility;</li> <li>• provide Axesstoday with the benefits of an increased profile that arises from being a listed public company; and</li> <li>• improve transparency to customers and its funders.</li> </ul>	Nil
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#### FINANCIAL INFORMATION

<b>What is Axesstoday's historical and forecast financial performance?</b>	<p>Axesstoday has a track record of growth with pro-forma net profit after tax (NPAT) from \$117k in FY15 to \$1.1m in FY16 and forecast to increase to \$3.2m in FY17.</p> <p>Net Receivables<sup>1</sup> have increased from \$16.4m as at 30 June 2015 to \$52.5m as at 30 June 2016 and are forecast to increase to \$101.8m by 30 June 2017.</p> <p>The table below sets out a summary of the Pro Forma Historical Results and Pro Forma Forecast Results for FY17.</p>	Refer to Section 6
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<sup>1</sup> The principal outstanding on Equipment Finance Products.

	PRO FORMA HISTORICAL RESULTS			PRO FORMA FORECAST RESULTS
A\$'000s	FY14	FY15	FY16	FY17
Portfolio income (Revenue)	331	2,994	8,451	17,979
Finance expenses	(133)	(703)	(2,513)	(4,806)
<b>Net portfolio income</b>	<b>198</b>	<b>2,291</b>	<b>5,938</b>	<b>13,173</b>
<b>Profit before Tax</b>	<b>(747)</b>	<b>304</b>	<b>1,486</b>	<b>4,451</b>
<b>Net profit after Tax</b>	<b>(514)</b>	<b>117</b>	<b>1,061</b>	<b>3,164</b>

The Financial Information presented above is intended as a summary only and should be read in conjunction with the more detailed discussion of the Pro Forma Historical Results and Pro Forma Forecast Results in Section 6, including the pro forma adjustments (Section 6.3.3), forecast assumptions (Section 6.7), management discussion and analysis (Section 6.6 and 6.7) and sensitivity analysis (Section 6.8), as well as the factors set out in Section 8. The pro forma adjustments to the Statutory Historical and Forecast Results reflect the estimated incremental expenses the Company will incur as a publicly listed entity and are set out in Section 6.3.3.

<sup>1</sup> The total amount owing under the Equipment Finance Products including principal, future interest income and GST.

<sup>2</sup> The principal outstanding on Equipment Finance Products.

TOPIC	SUMMARY	ADDITIONAL INFORMATION
<b>What is Axesstoday's operating history?</b>	The Axesstoday Group was established in 2012 and has a four year operating history. The Axesstoday Group has grown over that period, and as at 30 June 2016, has over 3,250 SME end customers and \$86.4 million in Gross Receivables <sup>1</sup> (\$52.5 million of Net Receivables <sup>2</sup> ) serviced by over 30 full-time employees.	Refer to Section 3.1.1
<b>What is Axesstoday's dividend policy?</b>	<p>The payment of a dividend by Axesstoday is at the discretion of the Directors and will be paid subject to the performance and financial position of Axesstoday and in accordance with the dividend policy.</p> <p>It is the current intention of the Board to target a dividend payout ratio of 50% of Axesstoday's distributable profits.</p>	Refer to Section 6.9

### 1.3 Investment highlights

TOPIC	SUMMARY	ADDITIONAL INFORMATION
<b>What are the highlights of an investment in Axesstoday?</b>	<p>Axesstoday is a growing provider of equipment funding solution for SMEs.</p> <p>Axesstoday has proven product, systems and credit approval processes which to date have delivered strong financial growth.</p> <p>Axesstoday's credit approval systems and processes is a compelling proposition to Retail Merchants who refer customers to Axesstoday.</p> <p>Axesstoday has a sound risk management track record, with annual credit losses representing 1.3% of average Net Receivables in the year to 30 June 2016.</p> <p>Axesstoday's business model is scalable through leveraging its IT systems and platforms to increase operational efficiencies and productivity.</p>	Refer to Section 3

## 1.4 Key risks

TOPIC	SUMMARY	ADDITIONAL INFORMATION
<b>Loss of key referral relationships</b>	Aksesstoday relies on a broad referral Retail Merchant network to source new customers and business. There can be no guarantee that these relationships will continue or, if they do continue, that these relationships will continue to be successful.	Refer to Section 8.2.1
<b>Credit risks</b>	Aksesstoday depends on its credit decision making systems and processes to mitigate the risk of high levels of customer default on lease payment obligations. A failure by Aksesstoday to adequately assess and manage credit risk may result in credit losses and potentially resulting in a material adverse effect on Aksesstoday's business, operating, performance and financial position.	Refer to Section 8.2.2
<b>Access to funding</b>	Aksesstoday relies on a mix of senior debt (under the Senior Corporate Debt Facility) and bond issuances (under the Corporate Bond) to fund its lending activities. The withdrawal of funding or inability to raise alternative funding on reasonable terms, could limit the growth of its business. Withdrawal of funding due to default or any other reason could force Aksesstoday to discontinue lending to customers and repay payments to funders.	Refer to Section 8.2.3
<b>Effectiveness of Security</b>	There is a risk that a security interest granted in favour of an entity of the Aksesstoday Group may not be perfected, in which case Aksesstoday may not be able to claim title and ownership over the asset where recovery action is taken by Aksesstoday under the terms of the relevant security agreement, in the event of default by a customer. Aksesstoday has policies and procedures in place to reduce this risk.	Refer to Section 8.2.5
<b>Technology systems failure and or disruption</b>	Aksesstoday depends on its technology system and third-party communication networks. There is a risk that these systems may fail to perform or be adversely impacted by a number of factors, some of which may be outside the control of Aksesstoday, including damage, equipment faults, power failure, fire, natural disasters, computer viruses and external malicious interventions such as hacking or denial-of-service attacks.	Refer to Section 8.2.8
<b>Fraudulent activity</b>	Aksesstoday may suffer losses due to fraudulent conduct, including the risks of customers attempting to circumvent repayment obligations. Aksesstoday and its technology partners may be unsuccessful in defeating fraud attempts, resulting in a higher than budgeted cost of fraud and end-customer non-payment.	Refer to Section 8.2.10
<b>Interest rate movement</b>	Aksesstoday's Senior Corporate Debt Facility and Corporate Bond are linked to market movements in the BBSY and BBSW respectively. It is possible that the interest rate charged may increase in the future impacting the size of the margin earned by Aksesstoday through the Equipment Finance Products funded.	Refer to Section 8.2.3

TOPIC	SUMMARY	ADDITIONAL INFORMATION
<b>Competitors and new market entrants</b>	Aksesstoday is exposed to the risk of new and existing competitors that may come into the market which may disrupt Aksesstoday's business and market share. Competitors may engage in price competition, aggressive customer acquisition campaigns, or develop superior technology to disrupt Aksesstoday's growth plans.	Refer to Section 8.2.12
<b>Other risks</b>	There are a number of general investment risks that could impact negatively on an investment in Aksesstoday. These include key personnel risk, general domestic and global economic conditions, increases in unemployment rates, withdrawal of wholesale funding sources, negative consumer and business sentiment and an increase in interest rates, amongst other factors.	Refer to Section 8.3

## 1.5 Directors, senior management, related parties and promoters

TOPIC	SUMMARY	ADDITIONAL INFORMATION
<b>Who are the Board members and key members of the senior management of Aksesstoday and what experience do they have?</b>	<p>Aksesstoday has established a well credentialed and balanced Board and management team with extensive experience in industry and business knowledge, financial management and corporate governance.</p> <p>The Directors of Aksesstoday are:</p> <ul style="list-style-type: none"> <li>• Peter Ferizis, Executive Director</li> <li>• Kerry Daly, Non-Executive Director</li> <li>• Yaniv Meydan, Non-Executive Director</li> <li>• Michael Sack, Non-Executive Director</li> </ul> <p>Matthew Reynolds is a Proposed Director (Non-Executive Director)</p> <p>The key management team (excluding the Executive Director) includes:</p> <ul style="list-style-type: none"> <li>• Ashley Hasforth, Chief Financial Officer,</li> <li>• Olga Colyvas, Chief Operating Office;</li> <li>• Sandro Cirrito, Chief Risk Officer.</li> </ul>	Refer to Sections 7.1 and 7.4
<b>Are there any benefits payable to Directors and related parties?</b>	<p>Aksesstoday has agreed to remunerate its Executive Directors and Non-Executive Directors through a combination of an appropriate salary package and director fees respectively.</p> <p>The Existing Shareholders, the majority of which are related parties of Aksesstoday given they are controlled by Directors and former directors, were issued Performance Shares on 19 October 2016.</p>	<p>Refer to Section 7.3</p> <p>Refer to Section 11.4</p>
<b>Are there any benefits payable to promoters and advisors?</b>	Aksesstoday has agreed to remunerate its promoters and advisors as detailed in Section 11.9.	Refer to Section 11.9

## 1.6 Significant interests of key people and related party transactions

TOPIC	SUMMARY	ADDITIONAL INFORMATION																																	
<b>Do the Directors have any interests in the issued share capital of Axsesstoday?</b>	<p><b><u>Immediately following Completion of the Offer</u></b></p> <p>The below table details the holding of Directors immediately following Completion.</p> <p>Directors may hold their interests in the securities shown below directly or indirectly through holdings by companies or trusts.</p> <p>The Directors are entitled to apply for Shares under the Offer. The below table does not take into account any Shares the Directors may acquire under the Offer.</p> <p>The Shares recorded in the below table will be subject to voluntary escrow arrangements as outlined in Section 11.2.</p>	<p>Refer to Section 7.3 for detail of the interests of Directors.</p> <p>Refer to Section 11.4 for a summary of the terms of the Performance Shares.</p>																																	
	<table> <tr> <th rowspan="2">DIRECTOR</th><th colspan="2">SHARES AND PERFORMANCE SHARES HELD IMMEDIATELY FOLLOWING COMPLETION</th></tr> <tr> <th>Number</th><th>% Shares</th></tr> <tr> <td rowspan="2">Peter Ferizis</td><td>4,026,536 Shares</td><td>10.7%</td></tr> <tr> <td>1,889,711 Performance Shares</td><td>-</td></tr> <tr> <td rowspan="2">Kerry Daly</td><td>100,000</td><td>0.3%</td></tr> <tr> <td>Nil Performance Shares</td><td>-</td></tr> <tr> <td rowspan="2">Yaniv Meydan</td><td>11,425,246 Shares</td><td>30.3%</td></tr> <tr> <td>5,362,029 Performance Shares</td><td>-</td></tr> <tr> <td rowspan="2">Michael Sack</td><td>4,026,536 Shares</td><td>10.7%</td></tr> <tr> <td>1,889,711 Performance Shares</td><td>-</td></tr> <tr> <td rowspan="2">Matthew Reynolds</td><td>Nil</td><td>0%</td></tr> <tr> <td>Nil Performance Shares</td><td>-</td></tr> <tr> <td><b>TOTAL</b></td><td><b>19,578,318</b></td><td><b>52%</b></td></tr> </table>	DIRECTOR	SHARES AND PERFORMANCE SHARES HELD IMMEDIATELY FOLLOWING COMPLETION		Number	% Shares	Peter Ferizis	4,026,536 Shares	10.7%	1,889,711 Performance Shares	-	Kerry Daly	100,000	0.3%	Nil Performance Shares	-	Yaniv Meydan	11,425,246 Shares	30.3%	5,362,029 Performance Shares	-	Michael Sack	4,026,536 Shares	10.7%	1,889,711 Performance Shares	-	Matthew Reynolds	Nil	0%	Nil Performance Shares	-	<b>TOTAL</b>	<b>19,578,318</b>	<b>52%</b>	<p>Refer to Section 11.2 for a summary of the voluntary escrow arrangements</p>
DIRECTOR	SHARES AND PERFORMANCE SHARES HELD IMMEDIATELY FOLLOWING COMPLETION																																		
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TOPIC	SUMMARY	ADDITIONAL INFORMATION																							
	<p><b><u>Immediately following the conversion of Performance Shares</u></b></p> <p>The below table details the holding of Directors immediately following conversion of the Performance Shares, (subject to certain milestones being met and detailed in Section 11.4).</p>																								
	<table> <tr> <th rowspan="2">DIRECTOR</th><th colspan="2">SHARES FOLLOWING CONVERSION OF THE PERFORMANCE SHARES TO SHARES</th></tr> <tr> <th>Number</th><th>%</th></tr> <tr> <td>Peter Ferizis</td><td>5,916,247</td><td>11.7%</td></tr> <tr> <td>Kerry Daly</td><td>100,000</td><td>0.2%</td></tr> <tr> <td>Yaniv Meydan</td><td>16,787,275</td><td>33.1%</td></tr> <tr> <td>Michael Sack</td><td>5,916,247</td><td>11.7%</td></tr> <tr> <td>Matthew Reynolds</td><td>Nil</td><td>0%</td></tr> <tr> <td><b>TOTAL</b></td><td><b>28,719,769</b></td><td><b>56.7%</b></td></tr> </table>	DIRECTOR	SHARES FOLLOWING CONVERSION OF THE PERFORMANCE SHARES TO SHARES		Number	%	Peter Ferizis	5,916,247	11.7%	Kerry Daly	100,000	0.2%	Yaniv Meydan	16,787,275	33.1%	Michael Sack	5,916,247	11.7%	Matthew Reynolds	Nil	0%	<b>TOTAL</b>	<b>28,719,769</b>	<b>56.7%</b>	
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<b>TOTAL</b>	<b>28,719,769</b>	<b>56.7%</b>																							
<b>Are the Directors or any Existing Shareholders selling Shares into this Offer?</b>	<p>No, the Directors and Existing Shareholders are not selling Shares in the Offer.</p> <p>The Existing Shareholders have all agreed to enter into voluntary escrow with respect to all of their Shares, namely:</p> <ul style="list-style-type: none"> <li>• with respect to 50% of their Shares, 24 months from the date of entry into the Voluntary Escrow Agreement, being 7 November 2018; or</li> <li>• with respect to the balance 50% of their Shares, 12 months from the date of entry into the Voluntary Escrow Agreement, being 7 November 2017.</li> </ul>	Refer to Section 11.2 for a summary of the voluntary escrow arrangements																							
<b>What are the related party transactions and who benefits from such transactions?</b>	<p>In addition to the compensation arrangements with Directors and executive officers, Axsesstoday is a party to the following related party contracts. Each of these contracts were for the benefit of the Axsesstoday Group:</p> <ul style="list-style-type: none"> <li>• Shareholder Loan Agreement (Meydan) (an entity controlled by a Director); and</li> <li>• Shareholder Loan Agreement (LMKWE).</li> </ul> <p>The total amount owing under these Shareholder Loan Agreements, being \$2,750,000, is to be repaid in full out of the funds raised under the Offer after which the Shareholder Loan Agreement (Meydan) and Shareholder Loan Agreement (LMKWE) will be terminated.</p>	Refer to Section 10																							

## 1.7 Overview of the Offer

TOPIC	SUMMARY	ADDITIONAL INFORMATION																
Who is the issuer of this Prospectus?	Aksesstoday Limited (Aksesstoday, its or the Company), a company incorporated in Australia.	Refer to Section 3.1																
What is being offered?	This Prospectus provides investors with the opportunity to participate in the initial public offering of Shares ( <b>Shares</b> ) in Aksesstoday.	Refer to Section 2.1																
Am I eligible to participate in the Offer?	<p>The Offer is open to all investors who are resident in Australia.</p> <p>The distribution of this Prospectus (including in electronic form) outside Australia may be restricted by law. Any potential investor outside Australia that comes into possession of the Prospectus should observe such restrictions and should seek their own advice on such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.</p> <p>The securities being offered pursuant to this Prospectus have not been registered under the US Securities Act and may not be offered or sold in the United States absent registration or an applicable exemption from registration under the US Securities Act and applicable State securities laws.</p>	Refer to Section 2.5																
What is the Offer Price?	\$1.00 per Share.	Refer to Section 2.1																
What is the Subscription Amount under the Offer?	<p>The Subscription Amount is 10,000,000 Shares to raise \$10,000,000 before costs of the Offer.</p> <p>If the Subscription Amount is not raised then Aksesstoday will not proceed with the Offer and will repay all Application Monies received (without interest).</p>	Refer to Section 2.3																
What is the proposed use of proceeds received in connection with the Offer?	<p>The table below sets out the proposed use of proceeds from the Offer. The amounts represented below may change as a result of fluctuations in exchange rates.</p> <table><tr><th>USE OF PROCEEDS</th><th>SUBSCRIPTION AMOUNT</th></tr><tr><td>Equity capital to support growth in the Receivable Book</td><td>\$2,497,000</td></tr><tr><td>Distribution and marketing</td><td>\$150,000</td></tr><tr><td>IT development</td><td>\$350,000</td></tr><tr><td>Expenses of the Offer</td><td>\$1,003,000</td></tr><tr><td>Repayment of Senior Corporate Debt Facility</td><td>\$3,250,000</td></tr><tr><td>Repayment of short term Shareholder Loans</td><td>\$2,750,000</td></tr><tr><td>TOTAL</td><td>\$10,000,000</td></tr></table>	USE OF PROCEEDS	SUBSCRIPTION AMOUNT	Equity capital to support growth in the Receivable Book	\$2,497,000	Distribution and marketing	\$150,000	IT development	\$350,000	Expenses of the Offer	\$1,003,000	Repayment of Senior Corporate Debt Facility	\$3,250,000	Repayment of short term Shareholder Loans	\$2,750,000	TOTAL	\$10,000,000	Refer to Section 2.2
USE OF PROCEEDS	SUBSCRIPTION AMOUNT																	
Equity capital to support growth in the Receivable Book	\$2,497,000																	
Distribution and marketing	\$150,000																	
IT development	\$350,000																	
Expenses of the Offer	\$1,003,000																	
Repayment of Senior Corporate Debt Facility	\$3,250,000																	
Repayment of short term Shareholder Loans	\$2,750,000																	
TOTAL	\$10,000,000																	



TOPIC	SUMMARY	ADDITIONAL INFORMATION
<b>What rights attach to the Shares?</b>	As a company incorporated in Australia, Axsesstoday is subject to Australian laws and the rights of Shareholders will be governed by Corporations Act.	Refer to Section 11.3
<b>Is the Offer underwritten?</b>	No, the Offer is not underwritten.	Refer to Section 2.4
<b>Will the Shares be quoted on the ASX?</b>	<p>Axsesstoday will apply to the ASX within seven days of the date of this Prospectus, for admission to the Official List and quotation of Shares on the ASX (which is expected to be under the code "AXL").</p> <p>Completion of the Offer is conditional on ASX approving the listing application to the ASX. If approval is not given within three months after such application to the ASX is made (or any longer period permitted by law), the Offer will be withdrawn and all Application Monies received will be refunded (without interest) as soon as practicable in accordance with the requirements of the Corporations Act.</p>	Refer to Section 2.10
<b>What are the taxation implications of investing in the Shares?</b>	The taxation implications of investing in the Shares will depend on each investor's individual circumstances. You should seek your own tax advice prior to applying for Shares under the Offer.	Refer to Section 2.11 and 11.8
<b>Is there any brokerage, commission or stamp duty payable by Applicants?</b>	<p>You are not required to pay any brokerage commission or stamp duty for the acquisition of Shares under the Offer.</p> <p>Axsesstoday will however pay fees to the Lead Manager.</p>	Refer to Section 2.5
<b>How can I apply?</b>	Instructions on how to complete the Application Form accompanying this Prospectus are set out in this Prospectus and on the Application Form itself.	Refer to Section 2.5
<b>When will I receive confirmation that my Application has been successful?</b>	Confirmation of successful Applications in the form of Holding Statements are expected to be despatched by standard post on or around 16 December 2016.	Refer to Section 2.5
<b>When can I sell my Shares on the ASX?</b>	<p>It is expected that trading of Shares on the ASX on a normal settlement basis will commence on or about 21 December 2016.</p> <p>It is expected that dispatch of Holding Statements will occur on or about 16 December 2016.</p> <p>It is the responsibility of each Applicant to confirm their holding before trading their Shares. Applicants who sell Shares before they receive an initial Holding Statement do so at their own risk.</p>	Refer to Section 2.5
<b>Can the Offer be withdrawn?</b>	<p>Axsesstoday reserve the right to not proceed with the Offer at any time before the issue of Shares to successful Applicants.</p> <p>If the Subscription Amount is not raised then the Offer will not proceed.</p> <p>If the Offer does not proceed (for any reason), Application Monies will be fully refunded. No interest will be paid on any Application Monies refunded as a result of the withdrawal of the Offer.</p>	Refer to Section 2.7

TOPIC	SUMMARY	ADDITIONAL INFORMATION
<b>How can I obtain further information?</b>	<p>If you have queries about investing under the Offer, you should contact your stockbroker, financial advisor, accountant or other professional advisor.</p> <p>If you have queries about how to apply under the Offer or would like additional copies of this Prospectus, please call the below between 8:30 am and 5:30 pm AEDT:</p> <ul style="list-style-type: none"> <li>• The Offer Information Line on 1800 237 687 (from within Australia) or +61 1800 237 687 (from outside Australia)</li> </ul> <p>OR</p> <ul style="list-style-type: none"> <li>• The Lead Manager on 03 9242 4000 (from within Australia) or +61 3 9242 4000 (from outside Australia)</li> </ul>	Nil
<b>Are any documents incorporated by reference?</b>	<p>The Corporate Governance Plan is incorporated by reference into this Prospectus.</p> <p>If you would like to obtain a copy of any of the documents incorporated by reference into this Prospectus, copies may be obtained from the Axsesstoday web site (<a href="http://www.axsesstodaylimited.com.au">www.axsesstodaylimited.com.au</a>) or by contacting the Offer Information Line.</p>	Nil

## 1.8 Capital structure

TOPIC	SUMMARY	ADDITIONAL INFORMATION			
What is the capital structure at the date of the Prospectus?	The ownership structure of Axsesstoday at the time of this Prospectus is as follows:	Refer to Section 11.1 for detail of the holding of the Existing Shareholders			
	<b>OWNERSHIP SHARES AND PERFORMANCE SHARES</b>				
	<b>NUMBER OF SHARES</b>	<b>%</b>	<b>NUMBER OF PERFORMANCE SHARES</b>	<b>%</b>	
	Existing Shareholders	27,700,000	100%	13,000,000	100%
	<b>TOTAL</b>	<b>27,700,000</b>	<b>100%</b>	<b>13,000,000</b>	<b>100%</b>
	The Performance Shares are subject to minimum profitability, earnings per share and other finance targets over the 30 June 2018 and 30 June 2019 period.				Refer to Section 11.4 for a summary of the Performance Share Terms and Conditions

TOPIC	SUMMARY	ADDITIONAL INFORMATION									
What is the capital structure following the Offer?	The ownership structure of Axesstoday when the Offer is Completed will be as follows:	Refer to Section 11.1 for detail of the holding of the Existing Shareholders									
	<table><tr><th rowspan="2">OWNERSHIP</th><th colspan="4">SHARES AND PERFORMANCE SHARES</th></tr><tr><th>NUMBER OF SHARES</th><th>%</th><th>NUMBER OF PERFORMANCE SHARES</th><th>%</th></tr></table>	OWNERSHIP	SHARES AND PERFORMANCE SHARES				NUMBER OF SHARES	%	NUMBER OF PERFORMANCE SHARES	%	Refer to Section 11.4 for a summary of the Performance Share Terms and Conditions
	OWNERSHIP		SHARES AND PERFORMANCE SHARES								
		NUMBER OF SHARES	%	NUMBER OF PERFORMANCE SHARES	%						
	Existing Shareholders	27,700,000	73.5%	13,000,000	100%						
	Subscribers of Shares offered under this Prospectus	10,000,000	26.5%	Nil	N/A						
	TOTAL	37,700,000	100%	13,000,000	100%						
	The Existing Shareholders will retain 73.5% of Axesstoday if the Subscription Amount is achieved.										
	Subject to Axesstoday being admitted to the Official List, certain Shares on issue will be subject to voluntary escrow. Refer to Section 11.2 (Escrow arrangements) for further information.										
What is the capital structure following the conversion of the Performance Shares?	The ownership structure of Axesstoday in the event all the Performance Shares are converted (subject to certain milestones being met and detailed in Section 11.4) to Shares will be as follows:	Refer to Section 11.1 for detail of the holding of the Existing Shareholders									
	<table><tr><th rowspan="2">OWNERSHIP</th><th colspan="2">SHARES AND PERFORMANCE SHARES</th></tr><tr><th>NUMBER OF SHARES</th><th>%</th></tr></table>	OWNERSHIP	SHARES AND PERFORMANCE SHARES		NUMBER OF SHARES	%	Refer to Section 11.4 for a summary of the Performance Share Terms and Conditions				
	OWNERSHIP		SHARES AND PERFORMANCE SHARES								
		NUMBER OF SHARES	%								
	Existing Shareholders at date of Prospectus	40,700,000	80.3%								
	Subscribers of Shares offered under this Prospectus	10,000,000	19.7%								
	TOTAL	50,700,000									
	The Existing Shareholders will hold 80.3% of Axesstoday if the Subscription Amount is achieved and all Performance Shares are converted to Shares.										
What is the dilutionary impact of the Performance Shares following conversion?	As at the close of the Offer, the Subscribers of Shares will hold 26.5% of the issued share capital of Axesstoday.	Refer to Section 11.1 for detail of the Existing Shareholder interests and dilutionary impact of the Performance Shares									
	In the event the 5,000,000 Performance Shares (Tranche 1) convert to Shares, the Subscribers of Shares will be diluted to 23.4% following the release of the 2018 audited accounts.										
	In the event the 8,000,000 Performance Shares (Tranche 2) convert to Shares, the Subscribers of Shares will be diluted to 19.7% following the release of the 2019 audited accounts.										
	This assumes that no additional Shares are issued post Completion of the Offer and before conversion of the Performance Shares.										
What rights attach to the Performance Shares?	Performance Shares have been issued to the Existing Shareholders in two tranches.	Refer to Section 11.4 for a summary of the Performance Share Terms and Conditions									
	<ul style="list-style-type: none"><li>• 5,000,000 Performance Shares (Tranche 1) will convert into Shares on a 1 for 1 basis subject to satisfaction of financial hurdles during the 2017/2018 financial year.</li><li>• 8,000,000 Performance Shares (Tranche 2) will convert into Shares on a 1 for 1 basis subject to satisfaction of financial hurdles during the 2018/2019 financial year</li></ul>										

## 2. Details of the Offer

### 2.1 What is the Offer?

Aksesstoday is offering 10,000,000 Shares for subscription at an issue price of \$1.00 per Share.

### 2.2. What is the purpose of the Offer and use of funds?

Based on the Subscription Amount of \$10,000,000, Aksesstoday expects to receive approximately \$8,997,000 of net proceeds from the Offer (after the costs of the Offer).

The table below sets out the proposed use of funds from the Offer, in \$, for the Subscription Amount.

The use of funds set out below represents Aksesstoday's current intentions based upon its present plans and business conditions. Aksesstoday believes that the current cash balances, together with the net proceeds of the Offer and gross profit from anticipated sales, will be sufficient to satisfy Aksesstoday's requirements.

### 2.3 How much is Aksesstoday seeking to raise under the Offer?

The Subscription Amount under the Offer is \$10,000,000 representing 10,000,000 Shares at \$1.00 per Share. This is both the minimum and the maximum amount that can be raised under the Offer.

If the Subscription Amount (\$10,000,000) is not obtained within four months after the date of this Prospectus, Aksesstoday will repay all Application Monies in full without interest as soon as practicable or, with ASIC approval, issue a supplementary or replacement prospectus and allow Applicants one month to withdraw their Applications and be repaid their Application Monies in full without interest.

### 2.4 Is the Offer underwritten?

No, the Offer is not underwritten.

#### USE OF FUNDS FROM THE OFFER

#### SUBSCRIPTION AMOUNT A\$

Equity capital to support growth in the Receivable Book <sup>1</sup>	\$2,497,000
Distribution and marketing <sup>2</sup>	\$150,000
IT development <sup>3</sup>	\$350,000
Expenses of the Offer <sup>4</sup>	\$1,003,000
Repayment of Senior Corporate Debt Facility <sup>5</sup>	\$3,250,000
Repayment of short term Shareholder Loans <sup>6</sup>	\$2,750,000
<b>TOTAL</b>	<b>\$10,000,000</b>

#### Notes:

1. To support growth in the Receivable Book from new Leases and Chattel Mortgages.
2. Brand and in store marketing expenses associated with existing and new Retail Merchants.
3. IT system development.
4. Total cash expenses of the Offer will be funded from the proceeds of the Offer. Refer to Section 11.10 (Offer expenses) for a breakdown of these expenses.
5. This relates to the reduction in the Senior Corporate Debt Facility.
6. This relates to the repayment of the Shareholder Loans loaned to Aksesstoday under the Shareholder Loan Agreement (Meydan) and Shareholder Loan Agreement (LMKWE). Payment of the \$2,750,000 will be in full satisfaction of the repayment obligations of Aksesstoday.

## 2.5 How do I apply under the Offer?

### Who can apply for Shares under the Offer?

The Offer is open to all investors who are resident in Australia. If you are a potential investor outside Australia and you come into possession of this Prospectus, you should observe such restrictions and should seek your own advice on such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

The securities being offered pursuant to this Prospectus have not been registered under the US Securities Act and may not be offered or sold in the United States absent registration or an applicable exemption from registration under the US Securities Act and applicable State securities laws.

### What is the Minimum and Maximum Application under the Offer?

Applications must be for a minimum of 2,000 Shares (\$2,000).

Applications in excess of the minimum number of Shares must be in multiples of 500 Shares (\$500).

There is no maximum amount that may be applied for under the Offer, however, it should be noted that the maximum amount that can be raised under the Offer is \$10,000,000.

Aksesstoday, in consultation with the Lead Manager, reserves the right to scale back any Applications or to aggregate any Applications which it believes may be multiple Applications from the same person.

### How do I apply under the Offer?

In order to apply under the Offer, please complete the Application Form that forms part of or is attached to this Prospectus or a printed copy of the Application Form attached to the electronic version of the Prospectus or complete an online application as detailed below. Application Forms must be completed in accordance with the accompanying instructions.

#### ***If paying by cheque(s) or bank draft(s):***

Please lodge your completed Application Form and cheque or bank draft for the Application Monies with Aksesstoday's Share Registry before 5:00pm AEDT on the Closing Date at the address set out below:

#### **By mail to:**

Aksesstoday Limited  
c/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235

#### **By hand delivery to:**

Aksesstoday Limited  
c/- Link Market Services Limited  
1A Homebush Bay Drive  
Rhodes NSW 2138

Cheque(s) or bank draft(s) must be :

- in Australian currency;
- drawn at an Australian branch of a financial institution;
- crossed "Not Negotiable"; and
- made payable: to "Aksesstoday Limited".

If paying by cheque(s), Applicants should ensure that sufficient funds are held in the relevant account(s) to cover your cheque(s). If the amount of your cheque(s) for Application Monies (or the amount for which those cheques clear in time for the allocation) is insufficient to pay for the amount you have applied for in your Application Form, you may be taken to have applied for such lower amount as your cleared Application Monies will pay for (and to have specified that amount in your Application Form) or your Application may be rejected.

***If making an online application:***

Please lodge your online application by visiting [www.axsesstodaylimited.com.au](http://www.axsesstodaylimited.com.au). You must make your Application payment by BPAY® before 5:00pm AEDT on the Closing Date.

Applicants making an online payment must use the specific biller code and the unique customer reference number (CRN) generated by the online Application.

Online Application Forms not accompanied by a BPAY® payment will be rejected.

Further information explaining this method of payment is available by visiting [www.axsesstodaylimited.com.au](http://www.axsesstodaylimited.com.au).

***Irrevocable offer to subscribe***

A completed Application Form constitutes an irrevocable offer to Axsesstoday to subscribe for Shares on the terms and conditions set out in this Prospectus (including any supplementary or replacement prospectus), and as set out in the Application Form. Axsesstoday, in consultation with the Lead Manager, reserves the right to:

- reject any Application, including Applications that have not been correctly completed or are accompanied by payments that are dishonoured;
- accept late Applications received after the close of the Offer;
- allocate to any Applicant a lesser number of Shares than that for which that Applicant applied; and
- waive or correct any errors made by an Applicant in the Application of that Applicant.

**FEES, COSTS AND TIMING FOR APPLICATIONS**

<b>When does the Offer open?</b>	The Offer is expected to open for Applications on 21 November 2016. However, this may be delayed if ASIC extend the Exposure Period for the Prospectus.
<b>What is the deadline to submit an Application under the Offer?</b>	It is your responsibility to ensure that your Application Form and Application Monies are submitted before <b>5:00 pm (AEDT)</b> on the <b>Closing Date</b> for the Offer which is 9 December 2016.  Axsesstoday, the Lead Manager and the Share Registry take no responsibility for any acts or omissions committed by your broker in connection with your Application.
<b>Is there any brokerage, commission or stamp duty payable by Applicants?</b>	You do not have to pay brokerage, commission or stamp duty if you acquire Shares under the Offer. Fees are payable, in relation to the Offer by Axsesstoday to the Lead Manager to the Offer. Details are set out in Section 11.9 (Interests of experts and advisors and remuneration).  These fees will be paid out of the proceeds of the Offer.
<b>What are the costs of the Offer and who is paying them?</b>	The costs of the Offer include the legal, accounting, advisory and other costs associated with the production of the offering documentation.  At the time of production of this Prospectus, the cash costs of the Offer were estimated to be \$1,003,000. Refer to Section 11.10 (Offer expenses).  Axsesstoday is paying these cash costs from the proceeds of the Offer.

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## CONFIRMATION OF YOUR APPLICATION AND TRADING ON THE ASX

<b>When will I receive confirmation whether my Application has been successful?</b>	<p>Holding Statements confirming Applicants' allocations under the Offer are expected to be sent to successful Applicants on or around 16 December 2016.</p> <p>Applicants under the Offer will be able to call the Offer Information Line on 1800 237 687 (from within Australia) or +61 1800 237 687 (from outside Australia) between 8:30 am and 5:30 pm AEDT, from 16 December 2016 to confirm their allocation.</p>
<b>When will I receive my Shares and when can I trade my Shares?</b>	<p>Subject to ASX granting approval for Axsesstoday to be admitted to the Official List of the ASX, Axsesstoday will procure the issue of Shares to successful Applicants as soon as practicable after the Closing Date. Allotment is expected to occur on 15 December 2016.</p> <p>Trading of Shares on ASX is expected to commence on 21 December 2016.</p> <p>If you sell Shares before receiving an initial Holding Statement, you do so at your own risk, even if you have obtained details of your holding from your broker or Axsesstoday's Offer Information Line.</p>

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### 2.7 Withdrawal, early close of the Offer, acceptance of late Applications or extension of the Offer

Axsessstoday reserves the right to withdraw the Offer at any time before the issue of Shares to successful Applicants. If the Offer is withdrawn, then Application Monies will be refunded. No interest will be paid on any Application Money refunded as a result of the withdrawal of the Offer or otherwise. Axsesstoday will retain any interest which accrues on Application Monies.

Axsessstoday in consultation with the Lead Manager, reserves the right to:

- close the Offer early.
- accept late Applications or extend the Offer (in certain circumstances), without notifying any recipient of this Prospectus or any Applicant.



## 2.8 Allocation policy

In consideration for the Directors agreeing to consider an Applicant's Application, the Applicant agrees its Application is an irrevocable offer which cannot be withdrawn.

The acceptance of Applications and the allocation of Shares are at the discretion of Axesstoday, in consultation with the Lead Manager. Axesstoday reserves the right to reject any application and to allot to an Applicant a lesser number of Shares than the number for which the Applicant applies. No Applicant under the Offer has any assurance of being allocated all or any Shares applied for.

## 2.9 Application Monies

All Application Monies will be held in a special purpose trust account until Shares are issued to successful Applicants.

Application Monies will be refunded (in full or in part) if:

- an Application is rejected;
- an Application is subject to scale-back; or
- the Offer is withdrawn or cancelled.

No interest will be paid on any Application Monies that are refunded.

After listing, or if listing does not occur, Axesstoday will retain any interest earned on Application Monies.

Refund cheques will be sent after the close of the Offer or as otherwise applicable under the circumstance outlined above.

## 2.10 ASX listing

Axesstoday will, within seven days after the date of this Prospectus, apply for admission to the official list of ASX and for official quotation on ASX of the Shares offered under this Prospectus.

It is expected that the initial Holding Statements will be sent by standard post on 16 December 2016 and that trading of Shares on a normal settlement basis will commence on 21 December 2016. If you apply, then it is your responsibility to determine your allocation before you trade in Shares. If you trade in Shares before you receive your initial Holding Statement, then you do so at your own risk.

The fact that ASX may agree to grant Official Quotation to any Shares is not to be taken in any way as an indication of the merits of Axesstoday or the Shares offered. ASX takes no responsibility for the contents of this Prospectus.

If permission for quotation of the Shares is not granted within 3 months after the date of this Prospectus, Application Monies will be refunded without interest as soon as practicable.



### **2.11 Tax implications of investing in Axsesstoday**

The tax consequences of any investment in the Shares will depend upon an investor's particular circumstances. Applicants should obtain their own Australian tax advice prior to deciding whether to invest.

A general summary of the Australian tax implications of investing in Axsesstoday is contained in Section 11.8.

### **2.12 Overseas distribution**

This Prospectus does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. No action has been taken to register or qualify the Shares or the Offer, or to otherwise permit a public offering of Shares, in any jurisdiction outside Australia. The distribution of this Prospectus (including in electronic form) outside Australia may be restricted by law.

If you are a potential investor outside Australia and you come into possession of this Prospectus, you should observe such restrictions and should seek your own advice on such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

The securities being offered pursuant to this Prospectus have not been registered under the US Securities Act and may not be offered or sold in the United States absent registration or an applicable exemption from registration under the US Securities Act and applicable State securities laws.



### 3. The Axsesstoday business

#### 3.1 Overview of Axsesstoday

##### 3.1.1 Introduction

Axsesstoday is a specialist provider of equipment funding solutions for small to medium sized enterprises (**SMEs**).

As at the date of this Prospectus, Axsesstoday is a profitable company with a diversified Receivable Book comprising of hospitality (61% of portfolio), transport (29% of portfolio) and other emerging sectors (10% of portfolio).

The distribution channel for Axsesstoday's Equipment Finance Products is predominately at the point of sale in retail merchant stores that have been accredited by Axsesstoday.

The Axsesstoday Group commenced operations in 2012 in response to a need for a differentiated and compelling value proposition for merchants to offer Equipment Finance Products to their end customers.

The founders of Axsesstoday are experienced in lending to SMEs and had observed that:

- Finance options in Australia were commoditised in nature, with little differentiation between them;
- Many Retail Merchants were dissatisfied and had low levels of loyalty to point of sale financiers; and
- The technology systems used to process finance applications were generally not real-time, and typically had complex and deferred approval processes that could contribute to failures to complete a purchase.

In response, Axsesstoday engaged third parties to develop an end to end process to benefit Retail Merchants and customers (either owned or licensed by Axsesstoday) that included:

- A white label solution for selected Retail Merchants to brand their customer financing offer with their own name;
- An end to end online application and credit platform designed with a retail focus that allows Retail Merchants to offer their customers the ability to finance equipment in store;
- Real time credit approval, thereby reducing the decision process from hours

#### What does Axsesstoday do?

1. Provides Equipment Finance for SMEs, with finance offered predominantly at point of sale in Retail Merchant's stores
2. Provides Retail Merchants with access to a streamlined online portal to allow loan applications to be processed within minutes as the sale is completed
3. Benefits Retail Merchants to offer their end-customers with an immediate finance offer
4. Processes applications in real time to reduce delays and distractions from completing the sale
5. Axsesstoday settles directly with Retail Merchants
6. Provides customers with immediate access to the equipment they need
7. Equipment Finance Product payments are direct debited from the customer account on a weekly cycle

to minutes; and

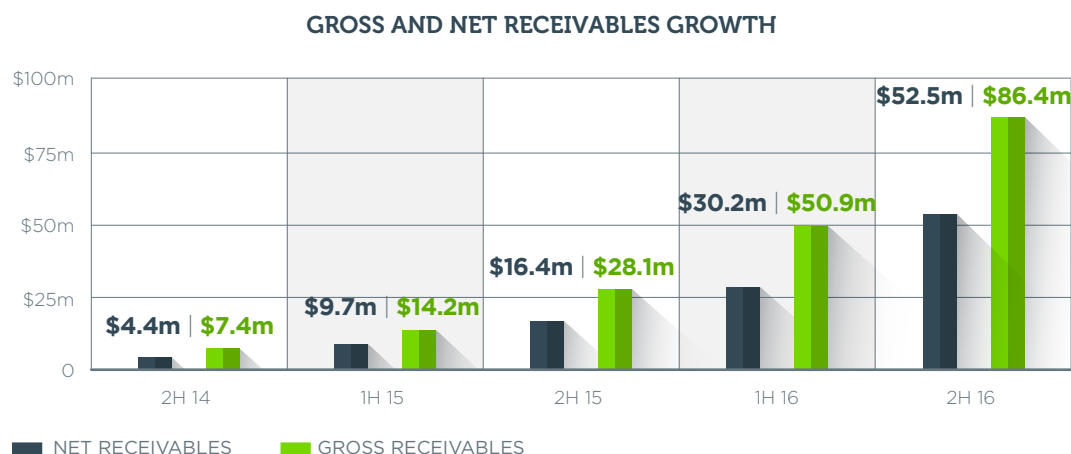
- The ability for Retail Merchants to offer their customers a variety of standard and new innovative funding options to assist their customers to purchase or lease items of equipment.

As at 30 June 2016, the Axsesstoday Group has grown to over 3,250 SME end customers and \$86.4 million in Gross Receivable<sup>3</sup> (\$52.5 million of Net Receivables<sup>4</sup>) serviced by over 30 full-time employees.

<sup>3</sup> The total amount owing under the Equipment Finance Products including principal, future interest income and GST

<sup>4</sup> The principal outstanding on Equipment Finance Products

The table below provides an overview of growth in Gross Receivables and Net Receivables from 30 June 2014 to 30 June 2016.



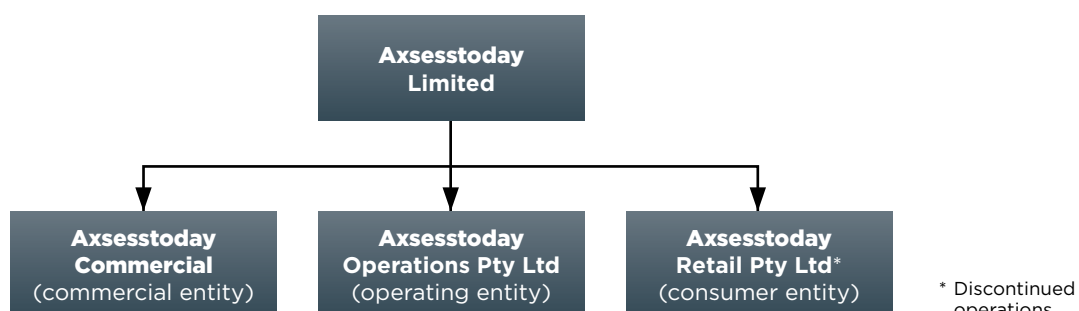
### 3.1.2 Corporate structure

The corporate structure of the Axesstoday Group is as follows:

- **Axesstoday Limited** – Incorporated on 11 December 2014. This entity is the parent company 100% holding company of Axesstoday Commercial, Axesstoday Operations Pty Ltd and Axesstoday Retail Pty Ltd;
- **ACN 603 303 126 Pty Ltd (Axesstoday Commercial)** – Incorporated on 10 December 2014. This entity is the main commercial entity in the Axesstoday Group which provides commercial Equipment Leases and is the contractual entity that debits the customers accounts the weekly payments;
- **Axesstoday Operations Pty Ltd** – Incorporated on 20 February 2015. This entity is responsible for all day-to-day operations of the Axesstoday Group including the provision of premises, the employment of staff and the engagement of other day to day services relating to the operations of the Axesstoday business;
- **Axesstoday Retail Pty Ltd** (discontinued operations) – Incorporated on 7 November 2012. This entity provided consumer lease products inclusive of technology and musical equipment. The business ceased originating new consumer leases in April 2016. As at 30 June 2016, this entity had Gross Receivables of \$1.5 million (including GST), with all free cash flows being distributed to Axesstoday Commercial to fund new Equipment Finance Products. The weighted average term remaining of the consumer portfolio is 42 months.

Given Axesstoday is a holding company and relies on service fees, dividends and

The corporate structure of the Axesstoday Group is depicted below:



the repayment of principal and interest on intercompany loans from its Subsidiaries.

In terms of income flow between the Subsidiaries, Services Agreements are in place between Axsesstoday Operations Pty Ltd with each of Axsesstoday Commercial and Axsesstoday Retail Pty Ltd for the provision of services by Axsesstoday Operations Pty Ltd to each of Axsesstoday Commercial and Axsesstoday Retail Pty Ltd for the provision of staff, premises and services to Axsesstoday Commercial and Axsesstoday Retail in consideration for the cost to Axsesstoday Operations in providing such services. These agreements are summarised in Section 10 (Material Contracts).

### 3.1.3 Overview of business model

#### *The Equipment Finance Products*

Axsesstoday provides customised funding solutions to SMEs. The Axsesstoday products offered to customers are Lease rentals and Chattel Mortgages (**Equipment Finance Products**) in the Australian market.

A Lease is a contract that allows for the use of an asset, but does not convey ownership rights to the user.

A Chattel Mortgage is a loan contract in which equipment (owned by the customer) is used as security for the loan.

The Axsesstoday Equipment Finance Products are designed to provide certainty and flexibility to end customers, while reducing the risk of loss from non-payment to Axsesstoday. Some of the key features of the Axsesstoday Equipment Finance Products include:

- **Finance amount:** Up to 100% finance on equipment with application amounts ranging from \$150 to \$500,000. Generally small amounts financed relate to single items of equipment and the large amounts generally relate to the fit out of a hospitality

venue or a combination of transport assets. On average, the amount financed in the hospitality and transport portfolio is \$15,898 and \$55,777 respectively;

- **Term:** The customer has the option to select a term from 12 months to 5 years. The average remaining term is 47 months, providing Axsesstoday with annuity style income from the portfolio of Equipment Finance Products;
- **Fully amortised:** The Equipment Finance Products are generally fully amortised over the term of the Equipment Finance Products and carry no residual value risk;
- **Reducing payments:** In the hospitality segment, payments commence higher for the customer in the earlier term of the Equipment Finance Product followed by a discount to payments on each anniversary. The customisation of this product reduces the size of any potential loss in the event of default compared to traditional finance where payments are typically spread evenly over the life of the Equipment Finance Product; and
- **Option to purchase:** For a Lease, the customer benefits from further flexibility features including an option to allow the customer to offer to purchase the equipment for a pre-agreed amount at each annual anniversary, and the ability to purchase the equipment for a nominal amount on completion of the Lease term.

Income is generated primarily from income received from customers on Equipment Finance Products.

In the case of Chattel Mortgages, income is the interest received by Axsesstoday under the Secured Loan Agreement and in the case of Leases, income is the Interest Component on lease payments under the Equipment Lease Agreements.

### ***Assessment of customer applications***

Each application is processed electronically through an online portal. On submission, the application is processed initially through an automated credit process which includes connectivity to external databases and credit bureaus. Any applications that require further assessment are reviewed by the Credit Division commencing with phone call verification with the customer.

### ***The security***

In the event of the customer defaulting under its Equipment Finance Product, Axsesstoday typically has the following arrangements in place to provide security

for the funds advanced under the Equipment Lease Agreements and the Secured Loan Agreements (which document Axsesstoday's Leases and Chattel Mortgages respectively):

- A security interest is registered over financed equipment through the Personal Property Securities Register; and
- Generally, a personal guarantee is provided by the owner, sole trader, or company director.

On certain applications, Axsesstoday may take further security including additional guarantors or taking security over other assets of the customer.

An overview of the credit and risk management process is provided below:

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## **CREDIT AND RISK MANAGEMENT PROCESS**

Application	<ul style="list-style-type: none"> <li>• In assessing applications, Axsesstoday performs an online credit assessment using Dunn &amp; Bradstreet and Veda credit bureaus and financial accounts/bank statements of applicants where relevant</li> <li>• A tiered credit matrix is in place based on the amount of finance requested. The matrix includes, but not limited to, an assessment of: <ul style="list-style-type: none"> <li>◦ The applicants ability to service the commitments</li> <li>◦ Business serviceability (if applicable)</li> <li>◦ Cash savings available</li> <li>◦ Industry experience</li> <li>◦ Property ownership verification (if applicable)</li> </ul> </li> <li>• Compliance calls are made to confirm the customer's financial position and the asset is fit for purpose</li> </ul>
Security	<ul style="list-style-type: none"> <li>• Security is taken over the equipment via the Personal Property Securities Register</li> <li>• Personal guarantees are obtained from directors or owners, and in exceptional cases such as a listed company, the Credit Committee may approve finance without personal guarantees</li> <li>• Additional security may be considered if required</li> </ul>
Loan servicing platform	<ul style="list-style-type: none"> <li>• Axsesstoday's loan management system allows for end to end automation of settlements, arrears and collection, management reporting and accounting and manual intervention when key parameters are not met</li> </ul>
Arrears	<ul style="list-style-type: none"> <li>• Axsesstoday' attempts to contact customers in arrears on the same day that their account falls into arrears and an automated SMS is sent each day</li> <li>• External legal letters are issued after a default</li> <li>• In the event of recovery of equipment following default, Axsesstoday will generally arrange for the sale of the equipment through its industry relationships</li> </ul>

More detail on the credit process is contained in Section 3.4 (Credit risk management). A summary of the security arrangements is detailed in Section 10 (Material contracts).

### ***The referral process***

Aksesstoday sources its customers from a broad distribution network. Aksesstoday has Referral Service Agreements and affiliations with 140 leading hospitality, transport and alternative equipment retailers located throughout Australia who refer customers to Aksesstoday for a fee.

In the 2015 and 2016 financial years, Aksesstoday paid commissions to Retail Merchants \$1,037,978 and \$2,908,773, respectively for the introduction of customers to Aksesstoday.

Refer to Section 3.2 (Distribution Channels) for further information.

### ***Customer value proposition***

Aksesstoday provides customers with the following features:

- The option to finance the full cost of equipment with no requirement for a deposit or bond;
- There are no monthly administration, account keeping or hidden fees, thereby enabling customers to plan their business' cash flow with confidence;
- In regards to a Lease, the terms of the Equipment Lease Agreement (which documents the Lease) confer on the customer an option to purchase the equipment at each anniversary for a pre-agreed amount, thereby providing flexibility in the event their circumstances or position change;
- A simple application process with:
  - Questions designed for point of sale retail;
  - An online verification and documentation process, eliminating any manual submission of information and documents; and
  - Application to completion time reduced from hours to minutes.
- Customers are direct debited through their nominated bank account on a weekly basis, enabling customers to match their income receipts with their commitments; and
- Equipment Finance Product payments may be up to 100% tax deductible.

### ***The documentation***

The process from application to the provision of the Operating Leases and Chattel Mortgages supported by the securities is documented by way of:

- Equipment Lease Agreements (for the Operating Leases); or
- Secured Loan Agreements (for the Chattel Mortgages).

The terms of these documents are summarised in Section 10 (Material Contracts).

### ***Aksesstoday's significant dependencies***

Aksesstoday's ability to grow the business and achieve the forecasts and objectives set out in this Prospectus are dependent on a number of key factors:

- Ongoing access to debt funding on acceptable terms. This includes access to bank funding and the ability to access debt, equity and hybrid capital markets from time to time. The Company's funding strategy is discussed further in Section 3.6;
- The ability to generate referrals of customers for new loans through Aksesstoday's third party distribution channels, discussed further in Section 3.2 (Distribution Channels);
- The successful operation and performance of its licensed technology platforms to support credit assessment, the loan application and administration processes and loan management and collections. The technology platform is discussed further in Section 3.3 (Technology platform); and
- Management of credit approvals and credit risks. Aksesstoday is reliant on the successful operation of its credit management systems and processes to maintain the credit quality of its Receivable Book and manage the risk of arrears and losses to acceptable levels. Credit risk management is discussed further in Section 3.4 (Credit risk management).

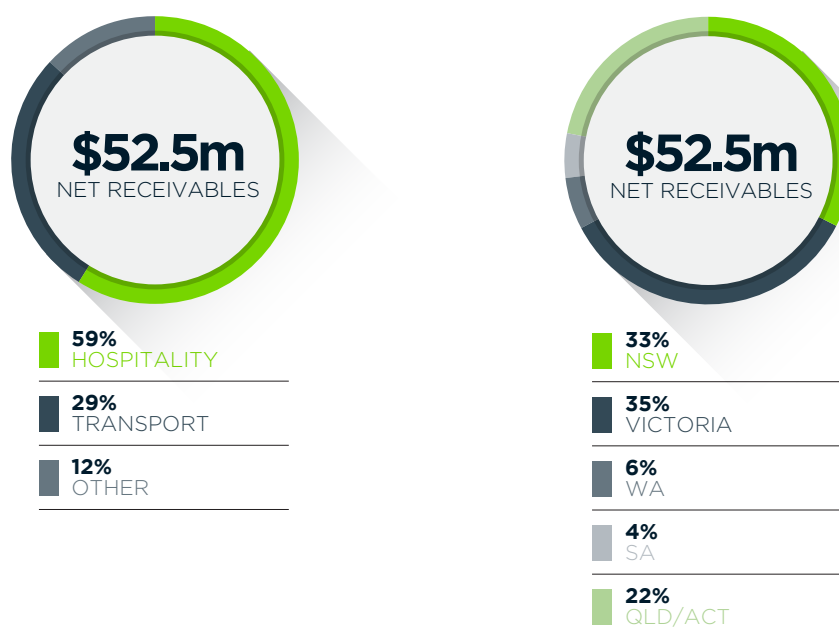
Aksesstoday's future performance is also subject to a range of industry specific and general business risks discussed in Section 8 (Risk factors).



### 3.1.4 Segment overview

Axesstoday entered the hospitality equipment finance sector in 2013, and broadened its product offering into transport and other sectors in 2014. Axesstoday has achieved consistent growth in the transport sector which has provided Axesstoday with increased portfolio diversification. The industry dynamics and outlook for these markets are discussed in Section 4 (Industry overview) of this Prospectus.

The segment overview (by industry and State) in FY2016 is shown below.



The Axesstoday Group operates in the following SME markets:

- **Hospitality equipment** – Hospitality equipment (accounting for 61% of Net Receivables) funded includes coffee machines, display units, cooking equipment, refrigeration and dishwashing equipment and general and franchise-specific equipment and fit outs for new and refurbished franchises;
- **Transport** –Transport assets (accounting for 29% of Net Receivables) include used prime movers, new and used trailers, tippers, tankers, car carriers, refrigerated trucks, forklifts, light commercial and related equipment (but excludes marine and aviation assets); and
- **Other** – Other equipment (accounting for 10% of Net Receivables) includes commercial solar, fitness, computer and technology equipment and other small ticket equipment.

Axesstoday provides funding in the form of short term loans to eligible customers that qualify to receive a research and

development rebate from AusIndustry, a Federal Government funded program. The Company provides funding based on a percentage of the eligible research and development rebate, and is generally short term in nature (approximately 60 days) to customers. As at 30 June 2016, the balance of such grants was \$1,110,641. It is Axesstoday's intention to continue providing these loans in the future and expects to maintain these current volumes.

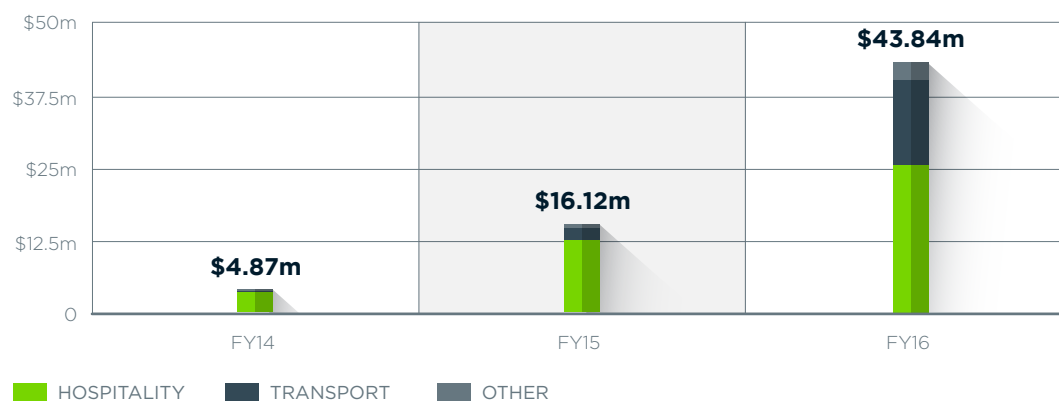
Axesstoday continues to demonstrate growth, over the last twelve months to 30 June 2016 of:

- 182% p.a. growth in portfolio income;
- 218% p.a. growth in Net Receivables;
- 388% p.a. growth in net profit before tax;

The results were achieved whilst maintaining a focus on risk management and asset quality.

The graph on the following page depicts the volume growth (by sector) in new Net Receivables for Equipment Finance Products from FY14 to FY16.

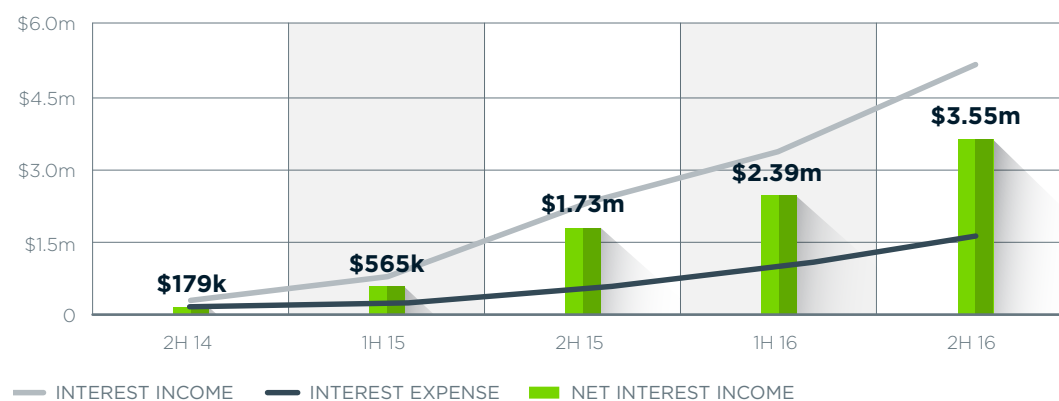
### NEW RECEIVABLES BY SECTOR



Axesstoday advanced \$43.8m under new Equipment Finance Products in FY16, representing an increase of 172% over the prior financial year. The growth in the Receivable Book has increased income across all asset segments (with the exception of Axesstoday Retail Pty Ltd), with portfolio income increasing to \$8.5m in FY16, an increase of \$5.5m over the prior year. The consistent growth in income is reflected with interest income of \$5.12m in the second half of 2016, representing a 54% increase over the first half of 2016.

This is depicted in the below graph:

### NET INTEREST INCOME



Axesstoday's forecast growth in Net Receivables of 94% in the financial year ending 30 June 2017, is underpinned by new business volumes from its existing Retail Merchants. In addition Axesstoday has a pipeline of Retail Merchants awaiting accreditation.

Refer to Section 6 (Financial information) for detail of the Axesstoday forecast to 30 June 2017 and Section 3.2 (Distribution channels) for further detail on Retail Merchant accreditation.

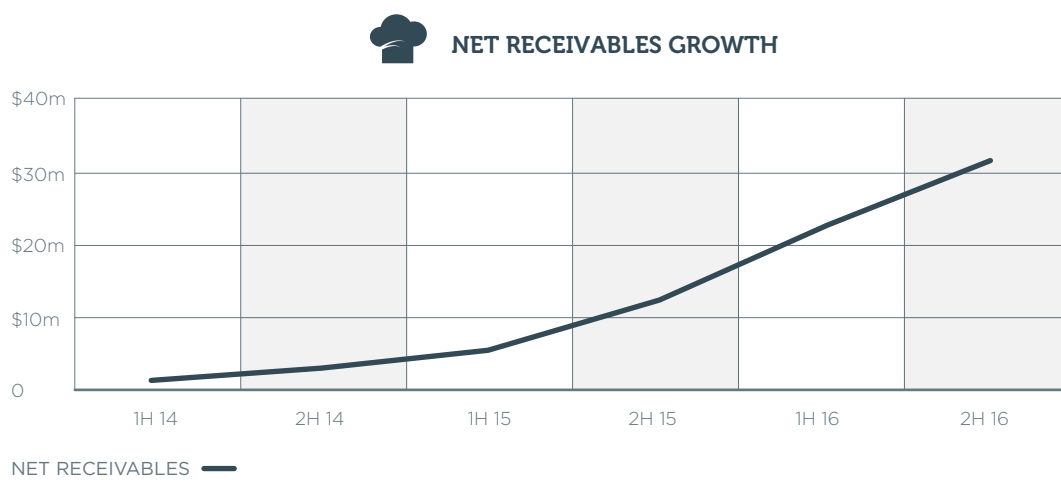
### 3.1.5 Hospitality Sector

The hospitality segment has experienced growth since inception. A summary of the current portfolio characteristics as at 30 June 2016 is reflected below.

Net Receivables	\$31.4 million
Gross Receivables (including GST and interest payable)	\$53.0 million
Average Equipment Finance Product amount (rounded)	\$15,898
Average contract term	46 months
Number of customers	2,537

As at 30 June 2016, Gross Receivables to hospitality industry customers amounted to \$53.0 million, an increase of \$31.7m over the prior year.

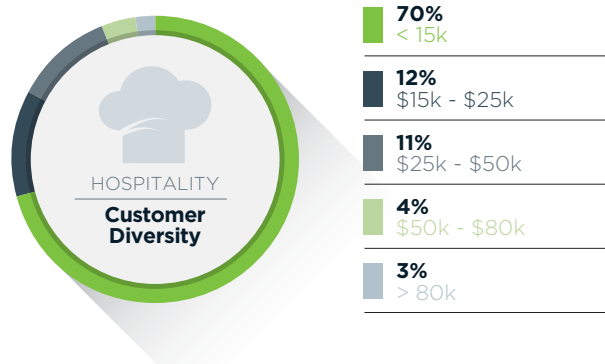
The graph below depicts growth in Net Receivables to the hospitality sector.



Axesstoday has designed a product tailored for the hospitality sector.

The hospitality product includes the customer being required to pay higher payments during the first year compared to traditional finance whereby the payments are consistent over the term. As a result, the customer benefits from lower payments in each subsequent year of the Equipment Finance Products term.

The hospitality portfolio has a diversified Receivable Book, with the largest customer representing less than 1% of Net Receivables and over 70% of Net Receivables are less than \$15,000 in value.



### 3.1.6 Transport sector

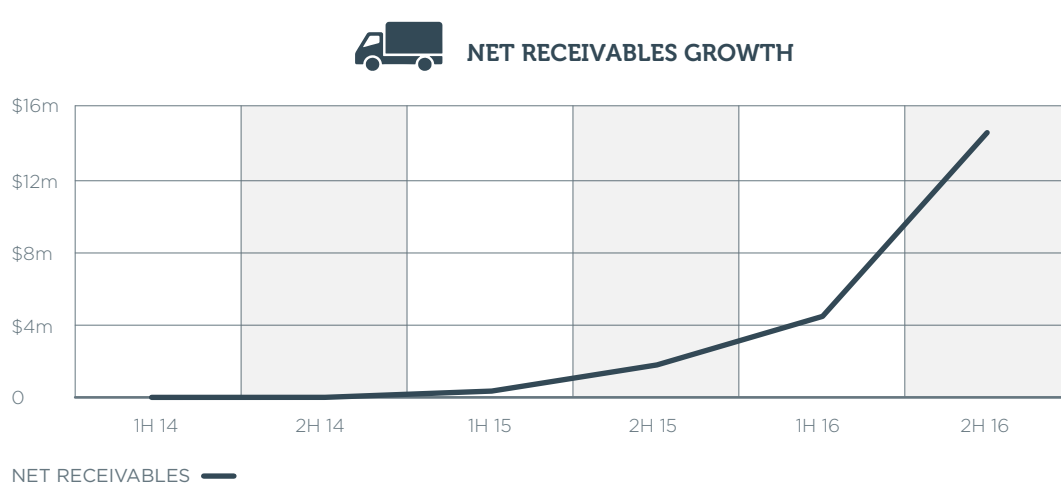
Since 2014, Axesstoday has broadened its asset classes to provide funding for the transport industry.

The transport segment has experienced growth since inception. A summary of the current portfolio characteristics as at 30 June 2016 is reflected below.

Net Receivables	\$15.0 million
Gross Receivables (including GST and interest payable)	\$27.2 million
Average Equipment Finance Product amount (rounded)	\$55,777
Average contract term	49 months
Number of customers	296

As at 30 June 2016, Gross Receivables to transport industry customers amounted to \$27.2 million, an increase of \$24.0m over the prior year.

The graph below depicts growth in Net Receivables in the transport sector.





### 3.2 Distribution channels

Axesstoday sources its customers from a broad retail merchant network. Axesstoday currently has 140 retail merchants being hospitality, transport and alternative equipment retail merchants located throughout Australia, 110 of which have signed a Referral Service Agreement (**Retail Merchants**). In the transport sector, Axesstoday also originates through third party introducers such as finance brokers.

The Axesstoday distribution strategy includes:

- Identifying referrers in the industry; and
- Aligning with those Retail Merchants that provide high referral volumes.

The Retail Merchants and their salespeople are required to be fully accredited by Axesstoday prior to being granted access to the online application system. This process includes:

- Retailer salespeople completing the Axesstoday Training and Compliance program that is conducted by Axesstoday's Origination Division; and
- A background check is undertaken on the Retail Merchant.

In the majority of cases, the Retail Merchant signs a Referral Services Agreement and receives a copy of the training and compliance manual outlining all compliance obligations.

The Referral Services Agreements contain terms relating to the services provided by Axesstoday, including training and accreditation, marketing support and commissions payable to retailers. In the 2015 and 2016 financial years, Axesstoday

paid retailers \$1,037,978 and \$2,908,773 respectively, in commissions for referring customers to Axesstoday.

A summary of the key terms of the Referral Services Agreement is contained in Section 10 (Material Contracts).

For Retail Merchants offering Axesstoday financing products to their end customers, the key value proposition for the Retail Merchants include:

- Access to Axesstoday's technology platform that has been specifically designed for point of sale retail;
- A fast and streamlined application process with minimal documentation required, reducing application time and the risk of the customer not completing the purchase;
- Potential for increased sales from customers seeking a finance solution as end customers are more inclined to make a purchase and/or increase the value of their purchase because of the affordability and flexibility attributes of the Axesstoday finance offering;
- A partnership proposition compared to other financiers, including a white label offering enabling Axesstoday accredited Retail Merchants to brand the financing with their own name. Axesstoday supports the Retail Merchants by providing graphic design and bespoke marketing collateral with the retailer's chosen branding; and
- Axesstoday pays the retail merchant in full on approval of customer finance, receipt of invoice and delivery of the equipment to the end customer.

**Strong value proposition for both retail merchants and end-customers**



### 3.3 Technology platform

Aksesstoday provides an end to end financial solution to its retail referrers and their end customers due to its licensed technology platform.

The technology platform used by Aksesstoday comprises three key components:

- Front end application system;
- Credit platform; and
- Loan Management and Collections System.

The technology platform has been developed by third parties and is licensed to Aksesstoday. From installation, the platform has been enhanced by customisations, enhancements and third party software integrations to improve customer experience and operational efficiencies.

The front end application system has been designed to simplify the provision of the required personal information by the customer to avoid delay or distraction from completing an in-store purchase. The system is accessed by the retail merchant staff member through an online web based application which can be launched through a desktop, ipad, mobile phone or other device.

Once the application is submitted, the online Credit platform provides automated online credit bureau checks and identity verification followed by analysis using tailored credit algorithms to provide a real-time response.

Depending on the outcome from the credit matrix, a credit analyst will review the application and confirm the credit decision in real time. The credit matrix has been developed internally by credit executives with over 35 years collective commercial credit experience and is monitored frequently to optimise portfolio quality.

The Loan Management and Collections System is scalable and has direct connectivity to the front end platform to streamline processes and information flow. It also has enhanced end to end automation capabilities including:

- Electronic settlement process;
- Arrears and collection management;
- Automated accounting entries and reporting functionality; and
- Audit functionality to review accuracy, completeness and integrity of information.

Once approved, the application passes automatically to the Loan Management and Collections System and an electronic checklist is completed for settlement. The customer signs system generated documents electronically, the account is established and the payment to the retail merchant is automatically disbursed.

All payments are direct debited from the customers' nominated account. The Loan Management and Collections System recognises any customers in arrears in real time.





### 3.4 Credit risk management

#### 3.4.1 Overview

The main dependency of the Axsesstoday Group is its ability to collect under its Receivable Book from customers in order to reduce the risk of arrears and losses.

Axesstoday's business model is underpinned by a strong focus on risk management and responsive collection processes to reduce arrears and losses. This has been achieved through the separation of the sales and credit functions, an extensive and specialised credit assessment process, and diversification of exposures across industries and geographies.

The ongoing portfolio monitoring increases portfolio performance and has supported the low credit loss rates of approximately 1.3% of average Net Receivables during the year ending 30 June 2016.

#### 3.4.2 Credit risk management

Axesstoday maintains a strict separation of sales and credit activities with these functions being performed by two separate divisions within Axsesstoday, namely the Origination Division and the Credit Division.

Axesstoday's Origination Division oversees the origination of applications from customers of Retail Merchants.

Once the application is submitted in the online application system, the Credit Division will review the application and process accordingly.

All credit submissions, customer management and monitoring processes are performed by the operations side of Axsesstoday. As at 30 June 2016, Axsesstoday Operations Pty Ltd employed 7 full time credit members, which included:

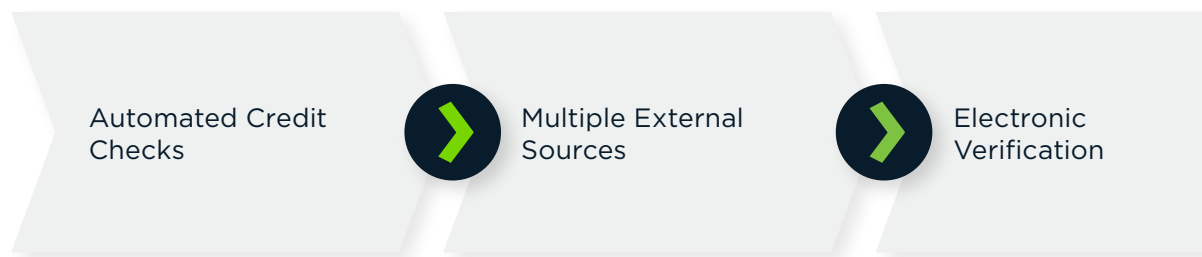
- **Chief Risk Officer** – to monitor and review the portfolio performance and improve effectiveness wherever required on a portfolio, sector and geographical specific approach. The Chief Risk Officer also reviews processes and procedures and is a member of the Credit Committee to review all applications greater than \$300,000;
- **Credit Manager** – to monitor and manage the team, including the review of workflow and other aspects to optimize team performance. The Credit Manager also reviews processes and procedures and presents to, but is not a member of, the Credit Committee; and
- **Credit analysts** – comprising of four team members, all of whom have experience from other financial institutions. The credit analysts review applications according to the defined escalation procedures to ensure applications are examined by personnel with requisite experience and expertise.

The Credit Committee reviews all applications over \$300,000 and is comprised of a minimum of three senior executives of Axsesstoday (including the Credit Risk Officer). All credit approvals require the majority consent of the members of the Credit Committee.

Axesstoday has an internal audit function to undertake sample file reviews to ensure compliance with credit criteria and underwriting standards.

#### 3.4.3 Credit approval process

Axesstoday maintains a disciplined approach to credit approvals and will only approve customers that fall within Axsesstoday's credit criteria and underwriting standards. Supporting documents are required to demonstrate the customer's ability to service the payments (such as electronic bank statements, and/or external verification searches), and these are reviewed and approved by authorised credit personnel. Axsesstoday also generally undertakes a verification call to the end customer during the approval process to assist in reducing fraud risk.



Once the application is submitted, the credit approval process consists of the following:

- **Automated credit checks** – this check is performed on the applicant (individual and corporate) on commencement of the application. For a personal applicant, a Veda credit bureau check is performed and for a company, a Dunn and Bradstreet credit bureau report is obtained. The system automatically connects to these databases and retrieves the critical information to perform an initial credit assessment;
- **Multiple external sources** – Axsesstoday has connectivity to other external sources such as identity verification and other databases to assist in the decision making process;
- **Electronic verification** – supporting documents are electronically verified to reduce processing times. To this end, Axsesstoday has procured the development of, and owns, proprietary technology to enhance the verification process (which is separate from the technology platform detailed in Section 3.3) including automated retrieval of bank statements for review;
- **Real time approval for low risk customers** – the credit platform is designed to provide immediate approval for low risk customers without credit analyst review. Generally applicants will be required to meet numerous eligibility criteria and will have no blemishes on their credit bureau files; and
- **Documentation pre-populated** – once the customer is approved, the customer has the option to receive a copy of the Equipment Lease Agreement or Secured Loan Agreements (subject to the form of Equipment Finance Product selected) electronically and to review the documents in the retail store. Once the customer has reviewed the documents, the customer can sign on the online platform, thereby removing the requirement to print the documentation. The system automatically updates the

internal status once the documents are electronically signed.

### 3.4.4 Monitoring

Axsesstoday has invested in the Loan Management and Collections System (detailed in Section 3.3) which enables the status of customer accounts to be monitored on a daily basis. The system is integrated with the front end application system and with numerous external sources such as the customer's bank to automatically process weekly direct debits from customer accounts.

Reports are generated daily for collection purposes and other reports are generated by internal compliance and other management executives to monitor team and portfolio parameters. All Net Receivables that are identified as greater than 30 days overdue are provided for unless Axsesstoday makes an allowance for extenuating circumstances or assesses that no impairment on the Net Receivable is likely.

### 3.4.5 Low historical arrears performance

Axsesstoday's arrears rate is measured as the portion of unimpaired Gross Receivables aged past 30 days. At 30 September 2016, 0.75% of the end period Gross Receivables balance was classified as in arrears.

The collections team is separated into two areas to allocate escalated matters with experienced personnel:

- **External collections team** – any customers that fall into arrears by one payment are contacted on the same day by an outsourced collections team. This team undertakes contact with customers in compliance with Axsesstoday's policies and procedures; and
- **Internal collections team** – this team manages customers that are in arrears by more than one payment or in circumstances where an escalation process is required.





Real time approval  
for low risk  
customers



Documentation pre  
populated

The key drivers of the low portfolio arrears experienced by Axesstoday include:

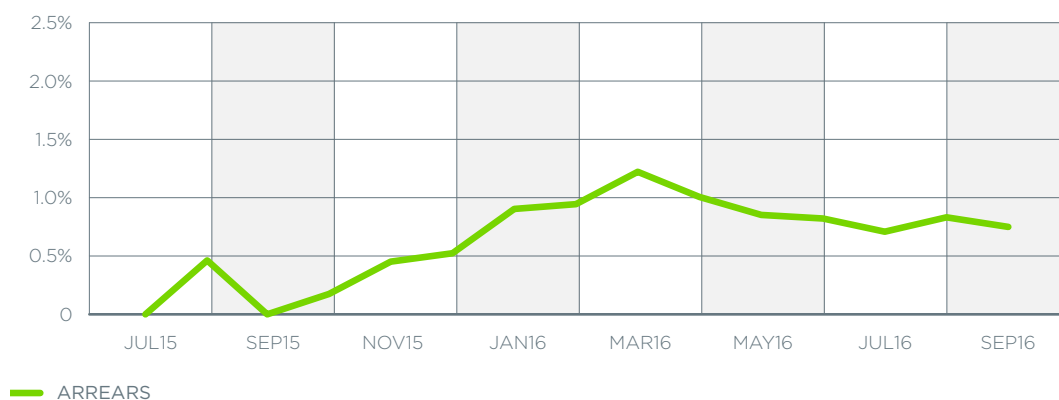
- Tiered credit approval processes, enabling scalability and robustness of credit processes for higher value applications;
- Credit approvals and matrixes are regularly reviewed against portfolio performance and adjusted accordingly. Variables include customer type, geographical areas and industries / sub industry classes;
- Active arrears and collections processes; and
- Customers are direct debited through their nominated bank account on a weekly basis, which enables smaller denominated debits to be processed through the customer account rather than a higher value on a monthly basis.

The below graph depicts Axesstoday's arrears rate, being the unimpaired 30 day arrears as a percentage of end period Gross Receivables, from 1 July 2015 to 30 September 2016.

Once a customer is in arrears, the process will include:

- Contact on the same day the customer entered arrears;
- An automated SMS is sent to the customer to confirm retry of account details;
- External lawyers are instructed promptly for escalation matters, and in the event of continuing default, repossession of equipment secured under the Equipment Finance Products is generally undertaken; and
- Customers that are in arrears for more than 60 days would normally be recognised as impaired. A loss or impairment occurs when events or changes in circumstances indicate the carrying amount of the Receivable may not be recoverable. In such circumstances Axesstoday will take steps to recover amounts owing including recovery of equipment and exercising rights under its security agreements.

#### UNIMPAIRED PAST DUE 30 DAYS RECEIVABLES



### 3.4.6 Low historical credit losses

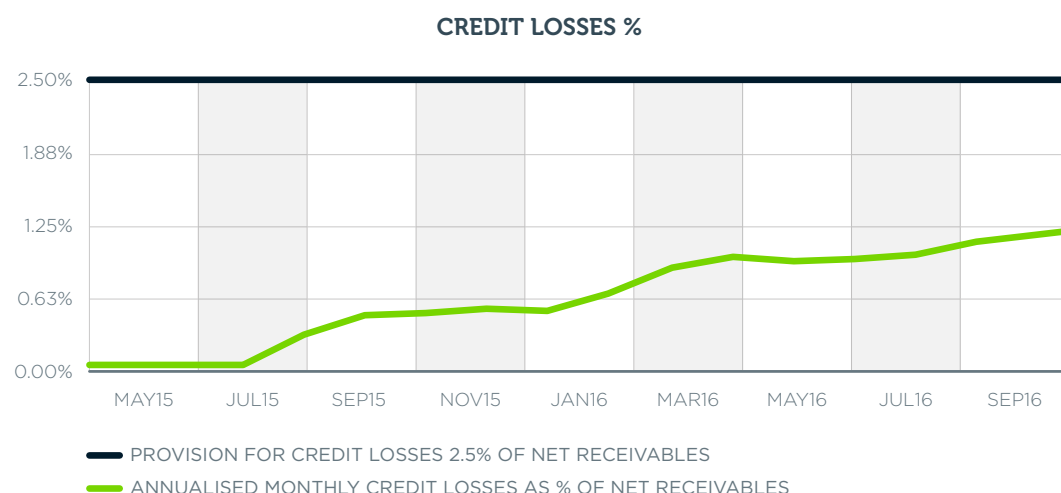
Axesstoday has reported historical annualised monthly credit losses of less than 1.4% of Net Receivables. Axesstoday provides for credit losses or impairments at the rate of 2.5% of the closing monthly Net Receivable balance which is expensed on a monthly basis through the Income Statement.

Annualised Credit losses incurred as a percentage of Net Receivables are indicated in the chart below. The 2.5% rate of provision expense compares favourably with the actual historic credit loss rates noted above. Actual credit losses incurred are written off as they are recognised, with a

corresponding reduction in the provision for lease impairment

Whilst the credit loss rate has increased gradually as the Receivable Book matures, Axesstoday's expectation is the loss rate will remain below the 2.5% provisioning level.

As the 2.5% loss provisioning exceeds the rate of actual losses, the credit loss provision balance has grown to \$836,945 representing 1.26% of Net Receivables as at 30 September 2016. The chart below indicates the growth in the provision balance for impairments which may be used to offset future credit losses.



Low credit losses have been attributed to numerous factors including:

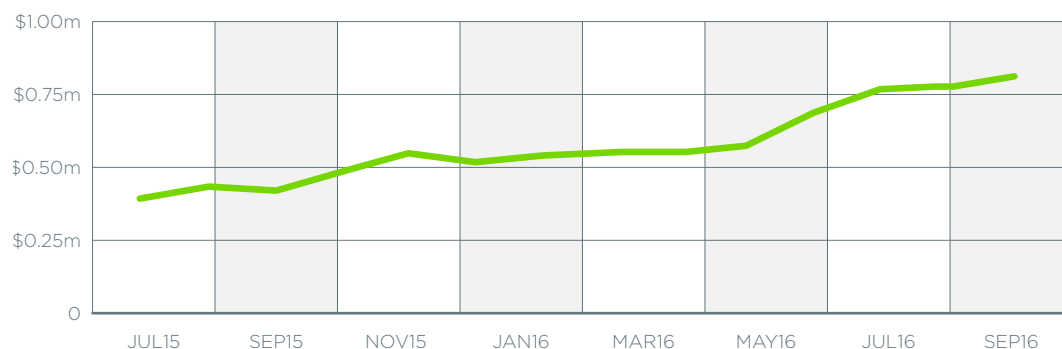
- The structure of the hospitality four year term product, whereby payments are higher earlier in the term of the Lease which reduces the principal outstanding, thereby reducing the size of any potential loss in the event of default;
- In almost all circumstances, there is no balloon payment, and as a result, the high rate of principal amortisation reduces the exposure outstanding;
- Strong industry relationships enable assets to be recovered, refurbished and re-marketed where required to partially of

fully offset amounts owing. Repossession is undertaken by an accredited agent and the equipment is generally refurbished and remarketed through the Company's distribution networks to maximize resale value; and

- Personal guarantees are required from customers.

Axesstoday has a conservative impairment process, with the amount recognised as impaired at time of default and prior to repossession of asset. Once the asset is recovered, refurbished and remarketed, the proceeds are added back to the impairment provision balance.

### IMPAIRMENT PROVISION GROWTH



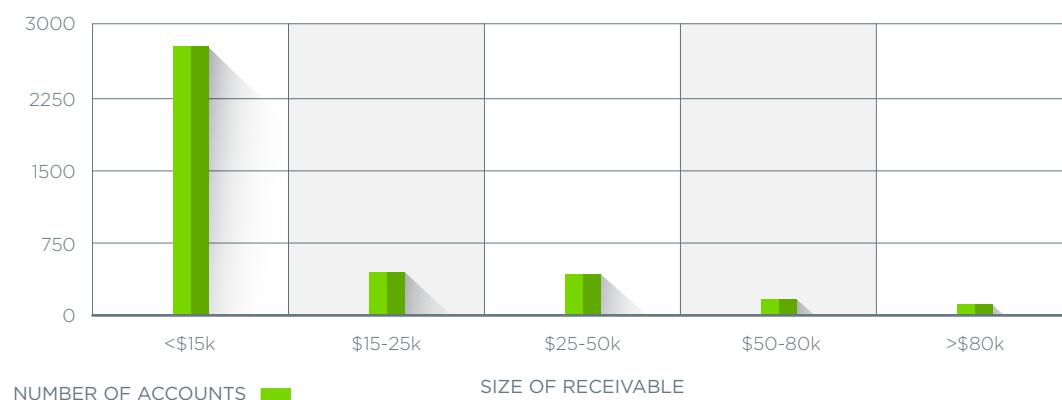
### 3.5 Portfolio diversification

The Axesstoday portfolio reflects industry and sector diversification and low levels of concentration. As at 30 June 2016, over 93% of customer accounts are less than \$50,000 representing low concentration risk. No

single customer represents more than 1% of Net Receivables.

Axesstoday's Receivable Book diversity is depicted in the below graph:

### RECEIVABLE BOOK DIVERSITY



### 3.6 Funding strategy

Aksesstoday has a diverse funding mix comprised of a senior bank debt facility (**Senior Corporate Debt Facility**) and debt capital market bond issuances (**Corporate Bond**):

- **Senior Corporate Debt Facility:** Aksesstoday has entered into documentation for a Senior Corporate Debt Facility from a major bank (**Senior Corporate Debt Facility**) to repay existing facilities and to fund general working capital purposes. The Senior Corporate Debt Facility is secured by a first registered charge over Aksesstoday and each of its Subsidiaries and can be drawn and repaid on an ongoing basis up to agreed facility limits and subject to a number of conditions. An overview of the key terms of the Senior Corporate Debt Facility is provided below.

#### SENIOR CORPORATE DEBT FACILITY – KEY TERMS

Financier	Major bank
Maturity date	November 2018 (being the date that is two years from the date of the Facility Agreement)
Total commitment	\$47.58m
Facility type	\$40m (rising to AUD\$45m post IPO) (revolving cash advance) \$2.5m overdraft facility \$50,000 bank guarantee facility \$30,000 corporate credit card facility
Drawn Balance as at 30 September 2016	\$15.0m (under existing bank debt facilities)
Security	First registered security interest over all of the present and after acquired property of Aksesstoday, Aksesstoday Commercial, Aksesstoday Retail Pty Ltd and Aksesstoday Operations Pty Ltd

The documentation for the Senior Corporate Debt Facility has been approved and signed by all parties. Drawdown under the facility and refinance of Aksesstoday's existing bank debt borrowings will occur prior to close of the Offer.

- **Corporate Bond issue:** The Company has undertaken two \$20 million bond issuances (total of \$40 million) over the past 18 months to broaden its funding base. The bonds mature in October 2021. The Corporate Bonds are secured by a second ranking security interest over all of Aksesstoday Commercial's present and after acquired property. A snapshot of the key terms of the subordinated notes is provided below.

#### CORPORATE BOND – KEY TERMS

Maturity date	9 October 2021
Total bond issuance	\$40.0m
Aggregate face value of the issued Corporate Bonds as at 30 September 2016	\$40.0m
Security	Second registered charge over Aksesstoday Commercial
Interest frequency	Quarterly in arrears

The Borrower must ensure that the principal outstanding under the Senior Corporate Debt Facility does not exceed 65% of Total Eligible Receivables of Axesstoday Commercial at any time.

The Corporate Bond is limited to providing funding up to 85% of the Total Eligible Receivables of Axesstoday Commercial.

The Senior Corporate Debt Facility and Corporate Bond issue are subject to financial covenants including interest cover ratio, arrears ratio, liquidity ratio and other financial covenants.

Axesstoday has historically met all its financial and loan covenant requirements including payment of interest obligations and expects to comply with these conditions.

The balance of funding required is provided by shareholders equity and retained earnings.

Further detail of the financial covenants is contained in Section 6.4.2 (Financial Information).

### 3.7 Strategy and growth drivers

Axesstoday's net portfolio income has grown from \$198,000 in FY14 to \$5.94 million in FY16. The growth is primarily driven by the growth in the number of accredited Retail Merchants, leading to an increase in end customers and increasing Net Receivables:

- **Growth in accredited distribution partners** – Axesstoday sources new customers primarily from accredited retail point of sale distribution sector and also from selected third party Retail Merchants in the transport sector. The number of accredited distribution partners increased from 21 as at 30 June 2015 to 140 as at 30 June 2016;
- **Growth in number of customers** – New customer originations increased from 1,377 customers as at 30 June 2015 to 2,453 customers as at 30 June 2016; and
- **Increase in portfolio Net Receivables**– Axesstoday's Net Receivables have increased by \$36.0 million in the FY16 year to reach \$52.5 million as at 30 June 2016.

Axesstoday anticipates it will maintain its growth rate by utilising the following key growth drivers:

- Deepen penetration in point of sale hospitality retail sector;
- Continued origination growth – Axesstoday intends to invest further in its direct distribution capabilities and its marketing budget;
- Improved market awareness;
- Continued recruitment of sales specialists in hospitality and transport sector;
- Continue to develop industry partnerships; and
- Leverage core technology and current product focus into potential new, add-on product areas such as online website integration that enables customers to apply and receive an instant credit decision.

### 3.8 Key competitors and barriers to entry

The key competitors of Axesstoday include non-bank finance providers, including Silver Chef Limited, Flexigroup Limited and Thorn Group Limited. Other competitors include the major Australian banks, regional banks and international banks. Further information on competitors is detailed in Section 4.5.

New entrants wishing to establish a competitor in this sector would be faced with a number of barriers to entry, including:

- The ability to raise sufficient funding from equity and/or debt sources at a competitive rate to support the provision of finance to customers;
- The establishment of a distribution or referral network that is able source suitable customers who require Equipment Finance Products; and
- The ability to put in place effective systems and processes for loan applications, credit approvals, administration, credit management and recoveries.

## 4. Industry overview

### 4.1 Overview

Aksesstoday operates in the equipment finance market, primarily in the hospitality and transport sector and provides funding for business and operational critical (tools of trade) equipment funding to SMEs through accredited distribution channels, predominately point of sale retailer stores. Aksesstoday focussed initially on the hospitality sector, and has since broadened its target markets to diversify its portfolio and now operates through the following key segments:

- Hospitality which consists primarily of restaurants, cafes and coffee shops and fast food services. Equipment financed by Aksesstoday includes but is not limited to coffee machines, display units, cooking equipment, refrigeration and dishwashing equipment.
- Transport / other assets equipment: Transport assets financed by Aksesstoday include used prime movers, new and used trailers, forklift trucks, light commercial and related equipment. Other assets financed include commercial solar, fitness, computer and technology equipment and other small ticket equipment.

The growth of Aksesstoday's Receivable Book and the Aksesstoday Group's overall performance is dependent on the underlying market drivers of each industry group and competitors from the financing sector.

### 4.2 The hospitality sector

The hospitality sector makes a vital contribution to the Australian economy. The Australian Bureau of Statistics report released in February 2016 details that 87,555 accommodation and food services were registered for GST at June 2015<sup>5</sup>. These businesses were small businesses, with 94% of these businesses employing 20 employees or less.

The Australian Bureau of Statistics notes in a report released in August 2016 that the hospitality sector has experienced strong growth in recent years. Restaurant, café and catering turnover for the month of August 2016 was \$3,647.5 million, an increase of 7% above turnover in the same month in 2015<sup>6</sup>.

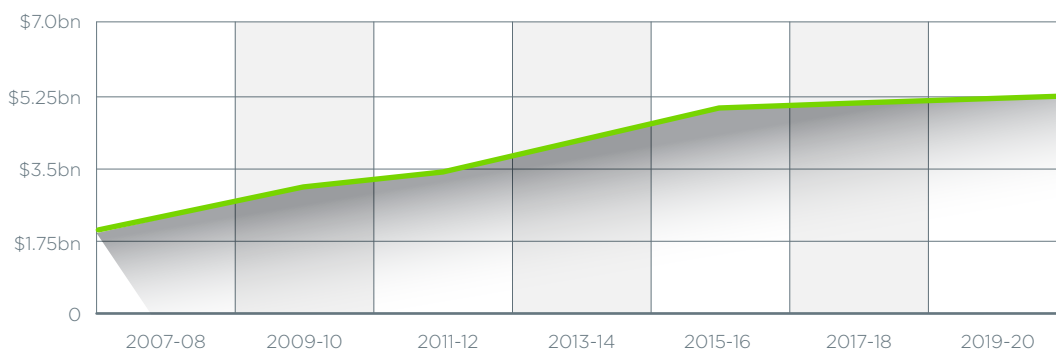
#### 4.2.1 Restaurant industry growth drivers

IBIS, in its World Industry Report, shows annual growth in the restaurant industry of 6.2% over the five years to 2015/16, with a total turnover of \$13.1 billion<sup>7</sup> in Australia. A change in social trends within Australia has fuelled the strong growth within the industry; these include:

- **Food culture** – the industry is benefiting from a rising food culture. Awareness of fashionable restaurants is strong and being further enhanced via online blogs and consumer review sites. The prevalence of cooking shows, such as MasterChef and My Kitchen Rules is creating a trend towards quality gourmet food.



### HOSPITALITY INDUSTRY VALUE ADDED



INDUSTRY INVESTMENT

<sup>5</sup> Australian Bureau of Statistics – Counts of Australian Businesses including Entries and Exits, Jun 2011 to Jun 2015 – 81650 released Feb 2016 (Hospitality Sectors falls within Accommodation and Food Services)

<sup>6</sup> Australian Bureau of Statistics – Retail Trade, Australia, Aug 2016 – 8501.0

<sup>7</sup> IBIS World Industry Report, Restaurants in Australia May 2016

Source: IBIS World Industry Report, Restaurants in Australia, May 2016

- **Busier lifestyles** – as people are increasingly living busier lifestyles, diminishing the amount of leisure time, consumers are turning to cafes and restaurants for meals. Restaurants allow consumers to combine dining with leisure and avoid spending time on food preparation.
- **Health** – consumer demand for healthier, premium quality food and beverages are also underpinned industry performance. Businesses that offer diverse menus with an emphasis on fresh, premium ingredients are expected to increase as discerning consumers search for better quality.
- **Real household disposable income** – As reported by the Australian Bureau of Statistics, Australians have experienced 2.1 per cent growth over the past year to 30 June 2016<sup>8</sup>. Rising discretionary incomes and consumer demand for quality and variety will support industry revenue growth over the next 5 years.

The IBIS World Industry Report<sup>9</sup> details that consumer demand for quality and variety are expected to support industry growth over the next ten years. Based on estimates outlined in the IBIS World Industry Report<sup>10</sup>, over the 10 years to 2020/21, the industry's contribution to the economy (industry value added) is expected to rise at an annual rate of 3.3%. The number of establishments in the industry is anticipated to expand at an annualised 2.9% over the same 10-year period. Demand for quality food and dining experiences have encouraged more firms to enter the industry.

#### 4.2.2 Cafes and coffee shops drivers

Australians take coffee seriously and drinking coffee is a daily ritual. Although Italian migrants introduced espresso coffee in the post-World War II period, it wasn't until the 1990s that the Aussie obsession with coffee began and a vibrant coffee culture emerged. The appeal of the local café which has fuelled industry growth over the past five years, with the Australian Bureau of Statistics detailing 16.3 million coffees are consumed in Australia on an average day<sup>11</sup>.

The IBIS World Industry Report shows annual growth in the café and coffee shop sector of 7.4% over the five years through 2015/16; this includes a forecast revenue increase of 8.4% in 2015/16, to a total \$5.3 billion<sup>12</sup>.

Key drivers of the café and coffee shop sector include:

- **Australia's coffee culture** – Australia's coffee culture and the growing number

of small speciality cafes and coffee shops have resulted in a high level of competition, low barriers to entry and low industry concentration.

- **Real household disposable income** – As reported by the Australian Bureau of Statistics, Australian households have experienced 2.1 per cent growth over the past year to 30 June 2016<sup>13</sup>. Unlike other sub-sectors in the hospitality industry, coffee is seen as an affordable luxury and is not as susceptible to changes in household incomes and spending.
- **Changing lifestyles** – cafes are benefiting from consumers living busy lives who desire fast convenient food, a trend which is forcing many restaurants to open or expand their café-style operations to meet customer demand.

As detailed in the IBIS World Industry Report, strong demand for coffee has led to an influx of new operators and the cafe and coffee shop sector. The growth in the number of new cafes and coffee shops in Australia is expected to continue to increase over the 10 years to 2020/21. Over this period the IBIS World Industry Report details that the industry's contribution to the economy (industry value added) is expected to rise by an annual rate of 3.9%<sup>14</sup>.

#### 4.2.3 Fast food service drivers

As detailed in the IBIS World Industry Report, it is anticipated that the Australian fast food industry will generate revenue of \$19.3 billion in 2016-17<sup>15</sup>, increasing from \$14.2 billion in 2007-08. The fast food industry is expected to have an annual growth of 1.5% between 2017-22. There are over 33,000 fast food restaurants in Australia<sup>16</sup>. A 2014 report noted that more than half the population visit major fast food chains each month - amassing 51 million visits per month<sup>17</sup>.

As detailed in the IBIS World Industry Report, Key drivers in the fast food industry include:

- **Consumer health awareness** Industry demand has been affected by increased consumer awareness about the nutritional content of fast food and a conscious effort by consumers to choose healthier options. Industry operators have responded by introducing a range of healthier, premium choices with less fat, sugar and salt. This change in consumer preferences has led to an influx of new operators offering higher quality fast-food options
- **Increase in medium age** – The median age of Australia's population has increased over the past five years<sup>18</sup>, shifting demand

<sup>7</sup> IBIS World Industry Report, Restaurants in Australia May 2016

<sup>8</sup> Australian Bureau of Statistics – Wage Price Index, June 2016 – 6345.0

<sup>9</sup> IBIS World Industry Report, Restaurants in Australia May 2016

<sup>10</sup> IBIS World Industry Report, Restaurants in Australia May 2016

<sup>11</sup> Australian Bureau of Statistics – Australian Health Survey: Nutrition First Results – Foods and Nutrients, 2011-12 – 4364.0.55.007

<sup>12</sup> IBIS World Industry Report, Cafes and Coffee Shops in Australia, April 2016

<sup>13</sup> Australian Bureau of Statistics – Wage Price Index, June 2016 – 6345.0

<sup>14</sup> IBIS World Industry Report, Cafes and Coffee Shops in Australia, April 2016

<sup>15</sup> IBIS World Industry Report, Fast Food Services in Australia, July 2016

<sup>16</sup> IBIS World Industry Report, Fast Food Services in Australia, July 2016

<sup>17</sup> Enhanced Media Metrics Australia Out of Home Dining Report, February 2014







towards healthier fast-food options. As a result, traditional fast food has declined as a share of revenue, while revenue from premium and healthy categories has grown<sup>19</sup>. Competition among industry players has been intense, as traditional operators have fought for market share while new establishments offering healthier options have siphoned demand from existing players.

- **Introduction of mobile and automated ordering** – The introduction of mobile and automated ordering has offered an opportunity for fast food providers, both in terms of customer service and behind the scenes. Ordering via mobile app providers new ways to gather customer data, tends to increase the average bill, and delivers orders directly.

As detailed in the IBIS World Industry Report, fast food industry establishment numbers are forecast to continue to grow over the 10 years through 2021-22<sup>20</sup>. Competition among players and a softer retail economy has had minimal effect on establishment numbers, which have been supported mostly by demand for new healthier food retailers and entrants at the premium end of the market. However, the market is becoming saturated as valuable locations become harder to come by and competition strengthens. Nonetheless, the industry has benefited from the expanding healthy foods segment.

### 4.3 The transport industry

Freight is moved long distances by road in Australia, because of the size of the country as well as the many and diverse locations of its agricultural, mining, production and population centres. The industry's largest vehicles transport goods between and across the states, competing successfully with rail, water and air freight industries. In cities, light commercial vehicles are the dominant form of transport for the final stage of delivery. The industry's major markets span the entire economy and demand for road freight transport services is a lead indicator for changes in economic growth.

Tonne-kilometres is a key indicator for measuring the volume of the freight transport, representing mass moved over distance. The Australian Bureau of Statistics details that in the 12 months ended 31 October 2014, the road transport network in Australia accounted for an estimated total of 195,619 million tonne-kilometres and moved a total of 2,132 million tonnes of freight. Of the total tonne-kilometres

travelled on roads by articulated and rigid trucks in Australia, the highest proportion 25.9% (50,632 million) originated in New South Wales, followed by Queensland 22.8% (44,663 million), Victoria 20.2% (39,612 million) and Western Australia (WA) 18.2% (35,617 million)<sup>21</sup>. All four States are home to large general cargo ports that handle large volumes of containerised imports. Ports provide an anchor point for industry activity as the bulk of imports by volume arrive by sea. Industry operators then transport freight from ports to downstream markets.

IBIS, in its World Industry Report, provides that the Australian industry has generated revenue of \$40.1 billion in 2015-16 – significant growth since the 2007-08 revenue of \$36.7 billion. The transport industry is expected to have an annual growth of 3.0% between 2016-21. There are over 40,800 transport businesses in Australia and New South Wales, Victoria and Queensland account for almost 80% of all transport enterprises. The industry employs over 146 thousand people in Australia<sup>22</sup>.

As detailed in the IBIS World Industry Report, key drivers within the transport industry include:

- **Barriers to entry** – Barriers to entry in the transport industry are low, with entry into the general freight market possible for as little as the cost of a second-hand light commercial vehicle. While some specialist industry segments require the use of vehicles specifically designed for an industry or commodity, the non-specialised nature of most vehicles used by the industry means new operators are typically able to accept casual business. Competition among players in the industry is the largest barrier to entry as small operators are required to develop strategic links with larger operators or freight forwarders.
- **Imports and exports increase** – Importers and exporters are a key market for industry participants and as imports and exports increase, the demand for road freight transport also increases. December 2015 imports on an international merchandise trade basis were \$21,918m, a decrease of \$1,753m (7%) on the November 2015 merchandise imports of \$23,671m<sup>23</sup>. This was more than offset by the total number of exporters of goods and/or services in 2014-15 increasing to 51,228, from 4,160 (9%) from 2013-14<sup>24</sup>. IBIS, in its World Industry Report has forecast the 2015-16 merchandise trade to grow, presenting further opportunities for the industry to capitalise on the increase in demand.

<sup>18</sup> Australian Bureau of Statistics – Population by Age and Sex, Regions of Australia, 2015 – 3235.0

<sup>19</sup> IBIS World Industry Report, Fast Food Services in Australia, July 2016

<sup>20</sup> IBIS World Industry Report, Fast Food Services in Australia, July 2016

<sup>21</sup> Australian Bureau of Statistics – Road Freight Movements, Australia, 12 months ended 31 October 2014 – 9223.0

<sup>22</sup> IBIS World Industry Report, Road Freight in Australia, April 2016

<sup>23</sup> Australian Bureau of Statistics – International Merchandise Imports, Australia, Dec 2015 – 5439.0

<sup>24</sup> Australian Bureau of Statistics – Characteristics of Australian Exporters, 2014-15 – 5368.0.55.006

- **Wholesale Trade** – Wholesale Trade is a major customer for the industry and represents demand from retailers, manufacturers and importers. IBIS predicts in 2015-16, the wholesale trade division is expected to grow.

The IBIS World Industry Report<sup>25</sup> concludes that the long-term outlook for the transport industry remains positive, with total demand for freight movements in Australia expected to increase. Industry revenue is projected to grow at a compound annual rate of 3.0% over the five years through 2020/21, to reach \$46.4 billion in FY2020-21. The majority of the activity in the industry is concentrated in the Australian eastern seaboard States. This reflects the concentration of major markets, population and freight infrastructure in New South Wales, Victoria and Queensland.

#### 4.4 Equipment financing overview

Australia's equipment finance industry is a dynamic part of the country's financing market and, according to the Australian Bureau of Statistics, equipment leasing facilitating approximately 40 per cent of the nation's equipment capital expenditure. This includes the replacement of existing assets in addition to the purchasing of new productive assets, representing a significant proportion of total business borrowing for small businesses in particular<sup>26</sup>.

The industry continues to have steady growth. Equipment finance new business volumes in 2015 were \$37.9 billion, and receivables at the end of December 2015 were \$86.9 billion. This reflects growth when compared to new business volumes in 2014 of \$37.7 billion and receivables of \$83.1 billion<sup>27</sup>.

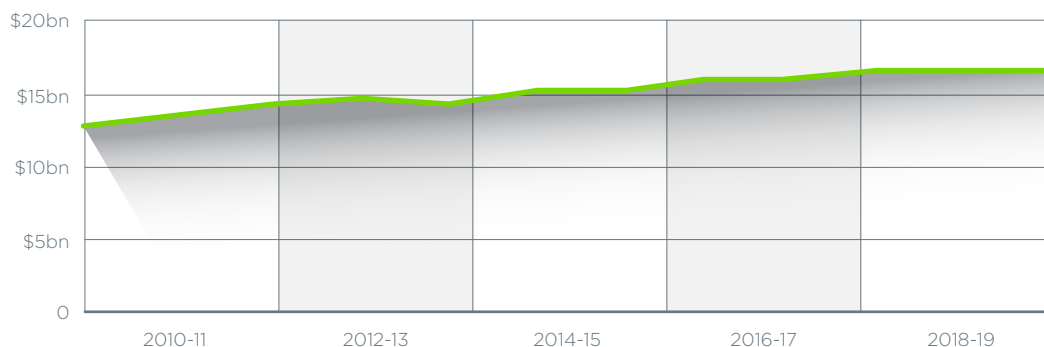
Equipment financing is an attractive funding source for small businesses as a result of various benefits including, but not limited to, beneficial tax considerations, 100% financing and the ability to maintain cash reserves. As a result small businesses continue to increase their engagement with equipment finance providers, with equipment financing as a proportion of total borrowing expanding to 34.3 percent for micro businesses and 27.9 percent for SMEs in 2015<sup>28</sup>. In comparison, equipment financing within the institutional segment accounted for less than 10 percent of total borrowings.

Corporate usage of finance leases, operating leases, novated leasing, chattel mortgages and commercial hire purchase products has steadied at 16.9 percent of total borrowings, less than half that of micro businesses<sup>29</sup>. As micro businesses and SMEs seek to more actively manage working capital constraints, they are increasingly seeking innovative and cost effective equipment finance providers to acquire or replace plant and equipment.

For new business in 2015, within the equipment finance sector, leasing accounted for 20% of the total portfolio, and a little over a third of leasing was operating leases, with finance leases the remainder. Hire purchases accounted for 6% within the equipment finance sector and chattel mortgages accounted for 73% within the equipment finance sector. These aggregates are illustrated below.



#### TRANSPORT INDUSTRY VALUE ADDED



INDUSTRY INVESTMENT —

Source: IBIS World Industry Report, Road Freight in Australia, April 2016

<sup>25</sup> IBIS World Industry Report, Road Freight in Australia, April 2016

<sup>26</sup> East & Partners Research Programs – Asset & Equipment Finance June 2015

<sup>27</sup> Australian Equipment Lessors Association – The Australian Market [www.aela.asn.au](http://www.aela.asn.au)

<sup>28</sup> East & Partners Research Programs – Asset & Equipment Finance June 2015

<sup>29</sup> East & Partners Research Programs – Asset & Equipment Finance June 2015

## Product Type: New Business Volumes 2015

PRODUCT TYPE	\$ Billion	%
Finance lease	\$4.9bn	13%
Operating lease	\$2.8bn	7%
Total lease	\$7.6bn	20%
Hire purchase	\$2.4bn	6%
Chattel mortgages	\$27.8bn	73%
Total	\$37.9bn	100%

Source: Australian Equipment Lessors Association – Equipment Finance Statistical Profile 2015 Calendar Year Update ([www.aela.asn.au](http://www.aela.asn.au))

## 4.5 The competitive landscape

The growth in the market has attracted a range of global and domestic competitors with varying scale and funding structures offering the full range of products including asset-backed debt financing, operating and finance leases, vendor finance and structured finance for large assets such as aircraft and industrial equipment. Global competitors in this market include finance companies such as GE Commercial Finance, as well as the large independent finance companies. Further detail is provided below<sup>30</sup>.

### 4.5.1 Australian major banks

The Australian major banks are active participants in the equipment finance sector. 61 per cent of respondents to the annual financing survey conducted by East & Partners Research nominate their relationship bank as a preferred source for equipment finance solutions however a growing 36 percent of businesses reported 'no preference'<sup>32</sup>. The two largest providers by market share, NAB and GE, struggled to maintain long running growth trends in 2015<sup>33</sup>. In contrast, Westpac and CBA achieved significant primary market share growth. It is anticipated that these growth trends will continue throughout 2016 across segment, state and sector verticals.<sup>34</sup>

### 4.5.2 Independent equipment finance providers

Independent equipment finance providers (including Axesstoday) are non-bank institutions that focus on providing fast and flexible financing options to SMEs. These participants are generally funded by deposit-taking institutions and typically distribute their products directly to the borrower. This category includes new financial technology entrants that utilise technology and risk-based pricing to access non-traditional users. These participants are significantly smaller in scale than the major and regional banks. Furthermore, additional challenges facing independent participants include funding diversification requirements which may reduce the size of facilities that can be offered to their customers and thereby reduce their addressable market of SMEs. Key participants include: Flexigroup, Silver Chef and Thorn Group.

### 4.5.3 Key Competitor – Silver Chef

Silver Chef Limited is a key competitor of Axesstoday. Silver Chef Limited was founded in 1986 and is engaged in renting and financing of commercial equipment in Australia, New Zealand, and Canada. It operates in two segments, Hospitality and GoGetta. The Hospitality segment provides equipment rental finance primarily to the hospitality industry. The GoGetta segment offers equipment rental finance to other industries, such as fitness, construction, transport, and plumbing through Rent. Grow.Own rental solution. The company offers its services through Rent-Try-Buy solution, which allows businesses to free up their working capital and keep their options open with an equipment funding. It assists franchisors and franchisees fund their equipment and store fit-out requirements. The company also offers used equipment, such as beverage, coffee, cooking, display, food-preparation, refrigeration, and washing, as well as miscellaneous equipment. It serves customers through a network of hospitality equipment dealers and brokers.

<sup>30</sup> Financial Services - Industry Capability Report - 2016 Australian Trade and Investment Commission (<http://www.austrade.gov.au>)

<sup>31</sup> East & Partners Research Programs – Asset & Equipment Finance June 2015

<sup>32</sup> East & Partners Research Programs – Asset & Equipment Finance June 2015

<sup>33</sup> East & Partners Research Programs – Asset & Equipment Finance June 2015



## 5. Regulatory overview

### 5.1 Regulatory landscape

The Axsesstoday Group is required to have regard to a number of key laws in connection with its operation. The table below details the key regulatory issues that apply to the Axsesstoday Group.

Regulation	Impact on Axsesstoday
<b>Corporations Act</b>	<p>The Corporations Act sets out a number of key areas of law that the Axsesstoday Group is required to adhere to. These include:</p> <ul style="list-style-type: none"> <li>• <b>Australian financial services licensing:</b> Many participants in the financial services industry are required to hold an Australian financial services licence. This requires such participants to comply with a range of obligations relating to disclosure that must be made to customers, dispute resolution processes, compliance arrangements etc.</li> </ul> <p>At present, the Axsesstoday Group's activities do not require it to hold an Australian financial services licence;</p> <ul style="list-style-type: none"> <li>• <b>Financial product disclosure:</b> The Corporations Act regulates what forms of disclosure must be made when financial products are offered.</li> </ul> <p>At present, the Axsesstoday Group's activities do not require it to prepare any formal product disclosure statement or financial services guide in connection with its ordinary business; and</p> <ul style="list-style-type: none"> <li>• <b>Disclosing entity and reporting:</b> Once admitted to the Official List, Axsesstoday will be a disclosing entity for the purposes of the Corporations Act and as such will be subject to regular reporting and disclosure obligations under the Corporations Act and the Listing Rules.</li> </ul> <p>Despite the above, in future, it is possible that the scope of the Group's activities may change or laws or regulations may change, which require Axsesstoday or its relevant Subsidiary to hold an Australian financial services licence or comply with other specific regulatory requirements.</p>
<b>National Consumer Credit Protection Act 2009 (NCCPA)</b>	<p>All of the Receivable Book of Axsesstoday Retail Pty Ltd's (the consumer finance subsidiary of Axsesstoday) consists of Leases that are regulated under the NCCPA.</p> <p>Axsesstoday Retail Pty Ltd ceased originating new consumer leases in April 2016 and is winding down its NCCPA regulated loan operations.</p> <p>The conduct of Axsesstoday Retail Pty Ltd's consumer lending is a credit activity primarily regulated under the NCCPA. In order to engage in credit activities, it must hold an Australian Credit Licence (<b>ACL</b>).</p> <p>If Axsesstoday Retail Pty Ltd or its representatives were to seriously breach the NCCPA then it may be fined, required to pay compensation to a customer, be prohibited from engaging in some business activities, be subject to limitations or conditions in relation to its business activities, or have its ACL revoked.</p> <p>In order to maintain its ACL, Axsesstoday Retail Pty Ltd must meet certain licence conditions including financial requirements. If for any reason Axsesstoday Retail Pty Ltd is not able to meet those conditions, ASIC may take action including suspension or revocation of its ACL or exercise other regulatory powers. If any of these events occur, they could have an adverse effect on the revenue, operations and performance of the Axsesstoday Group.</p>



**Personal Property Securities Act 2009 (Cth) (PPSA)**

The PPSA regulates the perfection of security interests in personal property and the priority afforded to creditors with competing interests in such property in Australia. The Axsesstoday Group registers its security interests in Gross Receivables, lease equipment, and other assets of its customers to ensure it appropriately protects its interests.

Repayment of all money owed to Axsesstoday under any its Leases and Chattel Mortgages (under the Equipment Lease Agreement or Secured Loan Agreement respectively) or any other commercial credit arrangements entered into in the course of its business are, as far as possible, secured by the appropriate registered security interests under the PPSA.

Axsesstoday does not register security interests under the PPSA in respect of the repayment of money owed to Axsesstoday under any consumer credit arrangements entered into in the course of its business.

**Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth) (AML/CTF Act)**

Axsesstoday and its Subsidiaries are each a 'reporting entity', under the AML/CTF Act, and are required to maintain an Anti-money Laundering and Counter-Terrorism Financing Program which must address how the Axsesstoday Group identifies, mitigates and manages the risk of its products or services being misused to facilitate money laundering or terrorism financing.

Amongst other things, an AML-CTF Program must include oversight by the board, systems and controls to ensure the entity complies with its AML/CTF reporting obligations (including threshold and suspicious matter reporting), employee due diligence and training, ongoing customer due diligence, and customer identification and verification procedures to identify, mitigate and manage any money laundering or terrorism financing risk. Axsesstoday also has record-keeping and other obligations that apply under the AML/CTF Act.

When entering into Leases and Chattel Mortgages (under an Equipment Lease Agreement or Secured Loan Agreement), Axsesstoday reasonably believes that the payment of monies in accordance with the customer's instructions will not breach any laws in Australia or any other country including the AML/CTF Act.

**Other Legislation**

The Axsesstoday Group is also required to comply with a range of other laws and regulations as part of its day to day operations in Australia. These include the *Australian Securities and Investments Commission Act 2001* (Cth), the *Australian Securities and Investments Commission Regulations 2001*, the *Privacy Act 1988* (Cth) and *Privacy Regulation 2013* and other laws related to the conduct of its business such as industrial laws and workplace health and safety laws.

Once admitted to the Official List, the Axsesstoday will be subject to compliance and regular reporting and disclosure obligations under the Listing Rules.

The Axsesstoday Group has in place policies and procedures aimed at ensuring its compliance with these laws

## 5.2 Compliance

Axsesstoday monitors its regulatory obligations on a regular basis and is not aware of any non-compliance with the regulations to which it is subject in the operation and performance of its business.

## 6. Financial information

### 6.1 Introduction

This Section contains a summary of the following historical and forecast financial information for Axsesstoday (collectively, the **Financial Information**).

#### 6.1.1 Financial Information

**Statutory Historical Financial Information being the:**

- Statutory income statements for the three years ended 30 June 2014 (**FY14**), 30 June 2015 (**FY15**) and 30 June 2016 (**FY16**) (**Statutory Historical Results**);
- Statutory net cash flows for FY14, FY15 and FY16 (**Statutory Historical Cash Flows**); and
- Statutory historical balance sheet as at 30 June 2016 (**Statutory Historical Balance Sheet**).

**Pro Forma Historical Financial Information being the:**

- Pro forma income statements for FY14, FY15, and FY16 (**Pro Forma Historical Results**);
- Pro forma cash flows for FY14, FY15, and FY16 (**Pro Forma Historical Cash Flows**); and
- Pro forma balance sheet as at 30 June 2016 (**Pro Forma Balance Sheet**).

The Statutory Historical Financial Information and the Pro Forma Historical Financial Information are collectively the **Historical Financial Information**.

**Statutory Forecast being the:**

- Statutory forecast income statement for the year ending 30 June 2017 (**FY17**) (**Statutory Forecast Results**); and
- Statutory forecast net cash flow for FY17 (**Statutory Forecast Cash Flow**).

**Pro Forma Forecast being the:**

- Pro forma forecast income statement for FY17 (**Pro Forma Forecast Results**); and
- Pro forma forecast cash flow for FY17 (**Pro Forma Forecast Cash Flow**).

The Statutory Forecast and the Pro Forma Forecast are collectively the **Forecast Financial Information**.

The Pro Forma Historical Financial Information and Forecast Financial Information assume the Completion of the Offer.

Axsesstoday operates on a financial year ended 30 June.

### 6.1.2 Additional Information

Also summarised in this section is:

- the basis of preparation of the Financial Information (Section 6.2);
- reconciliation of statutory to pro forma financial information (Section 6.3.3);
- information regarding certain non IFRS (International Financial Reporting Standards) financial and operating measures (Section 6.2.4);
- a summary of the Company's indebtedness and capitalisation, debt facilities, liquidity and operating measures (Section 6.4.1);
- management's discussion and analysis of the Pro Forma Historical Financial Information (Section 6.6) and Forecast Financial Information (Section 6.7);
- the specific and general assumptions underlying the Forecast Financial Information (Section 6.7);
- an analysis of the sensitivity of FY17 NPAT to changes in certain key assumptions (Section 6.8); and
- the Company's proposed dividend policy (Section 6.9).

All amounts disclosed in Section 6 are presented in Australian dollars and, unless otherwise noted, are rounded to the nearest \$1,000 and have not been amended to correct immaterial summation differences that may arise from this rounding convention.

The information in this Section should also be read in conjunction with the risk factors set out in Section 8 and other information contained in this Prospectus.

## 6.2 Basis of preparation and presentation of the Financial Information

### 6.2.1 Overview

The Directors of Axsesstoday are responsible for the presentation and preparation of the Financial Information. The Financial Information included in this Prospectus is intended to present potential investors with the information to assist them in understanding the historical financial performance, cash flow and financial position of Axsesstoday together with the Forecast Financial Information.

The Financial Information has been reviewed by PricewaterhouseCoopers Securities Ltd (**PwCS**) as set out in the

Independent Limited Assurance Report on Financial Information set out in Section 9. Investors should note the scope and limitations of the Independent Limited Assurance Report on Financial Information (refer Section 9).

The Financial Information included has been prepared and presented in accordance with the recognition and measurement principles described in Australian Accounting Standards (**AAS**) adopted by the Australian Accounting Standards Board (**AASB**), which are consistent with International Financial Reporting Standards (**IFRS**) issued by the International Accounting Standards Board (**IASB**). The accounting policies adopted in the preparation of the Financial Information are consistent with the last audited general purpose financial report of Axsesstoday for the year ended 30 June 2016. Axsesstoday's accounting policies have been consistently applied throughout the periods presented. A summary of key accounting policies is set out in the statutory financial statements of the Group, available on the Company's website at [www.axsesstodaylimited.com.au](http://www.axsesstodaylimited.com.au).

The Financial Information is presented in an abbreviated form and does not contain all of the disclosures, statements or comparative information required by the AAS applicable to annual financial reports prepared in accordance with the Corporations Act.

### 6.2.2 Preparation of Historical Financial Information

The Pro Forma Historical Financial Information has been prepared solely for inclusion in this Prospectus. It has been based on the statutory financial statements. PricewaterhouseCoopers audited the FY14, FY15 and FY16 statutory financial statements and issued unqualified opinions for each of those years.

In preparing the Pro Forma Historical Financial Information, a number of adjustments were made to the statutory results to reflect the operating and capital structure that will be in place following Completion of the Offer including the estimated standalone public company costs. The Company considered these adjustments appropriate to present the financial result on a comparable basis across years.

The Offer is not underwritten. The Pro Forma Financial Information has been prepared on the assumption that the Subscription Amount of \$10m is obtained. Refer to Section 2.2 for further details.

A reconciliation of the statutory results

to the Pro Forma Historical Financial Information is provided in Sections 6.3.3, 6.4 and 6.5.2.

Investors should note that past results are not a guarantee of future performance.

### 6.2.3 Preparation of Forecast Financial Information

The Forecast Financial Information has been prepared solely for inclusion in this Prospectus.

The Statutory Forecast for FY17 is based upon management accounts for the 2 month period to 31 August 2016, and forecasts for the remaining 10 months to 30 June 2017. The Pro Forma Forecast has been derived from the Statutory Forecast and adjusted for the full year impact of the operating and capital structure that will be in place following Completion of the Offer and certain other adjustments to eliminate non-recurring items. Forecast Financial Information has been prepared assuming the Subscription Amount of \$10m which is not underwritten is obtained. A reconciliation of the Statutory Forecast to the Pro Forma Forecast for FY17 is provided in Sections 6.3.3 and 6.5.2.

The Forecast Financial Information has been based on an assessment of present economic conditions and a number of best estimate general and specific assumptions detailed in Section 6.7. The Forecast Financial Information is subject to the risks set out in Section 8. The inclusion of these assumptions and these risks is intended to assist investors in assessing the reasonableness and likelihood of the assumptions occurring, and is not intended to be a representation that the assumptions will occur. The Forecast Financial Information presented in the Prospectus has been reviewed by PwCS but has not been audited. Investors should note the scope and limitations of the Independent Limited Assurance Report on Financial Information (refer to Section 9).

The Directors believe that they have prepared the Forecast Financial Information with due care and attention, and consider all best estimate assumptions when taken as a whole, to be reasonable at the time of preparing this Prospectus. However, this information is not fact and potential investors are cautioned not to place undue reliance on the Forecast Financial Information.

Potential investors should be aware that the timing of actual events and the magnitude





of their impact might differ from that assumed in preparing the Forecast Financial Information, and that this may have a material positive or negative effect on the Company's actual financial performance or financial position. Neither Axsesstoday nor any other person can give investors any assurance that the outcomes presented in the Forecast Financial Information will arise. Potential investors are advised to review the best estimate assumptions set out in Section 6.7, in conjunction with the sensitivity analysis set out in Section 6.8, the risk factors set out in Section 8 and other information set out in this Prospectus.

The Company has no intention to update or revise the Forecast Financial Information or other forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law.

#### 6.2.4 Explanation of certain non-international financial reporting standards financial measures

Axsesstoday uses certain measures to manage and report on its business that are not recognised under AAS. These measures are collectively referred to as non-IFRS measures under Regulatory Guide 230 'Disclosing non-IFRS financial information' published by ASIC. The principle non-IFRS financial measures that are referred to in

this Prospectus include the following:

- **Portfolio income** is equivalent to revenue from continuing operations as disclosed in the statutory financial statements and represents the interest received under the Secured Loan Agreement and in the case of Leases, income is the Interest Component on lease payments under the Equipment Lease Agreements net of initial direct costs incurred in negotiating and arranging the receivable;
- **Net portfolio income** represents portfolio income less finance expense;
- **Net portfolio income margin** is calculated as net portfolio income divided by average lease receivables; and
- **Net receivables** represents the value of principal outstanding plus commission less doubtful debt provision.

Although the Directors believe these measures provide useful information about the financial performance of the Company, they should be considered as supplements to the income statements that have been presented in accordance with the AAS and not as a replacement for them. Because these non-IFRS financial measures are not based on AAS, they do not have standard definitions and the way that the Group calculates these measures may differ from similarly titled measures of other companies. Potential investors should therefore not place undue reliance on these non-IFRS financial measures.

## 6.3 Historical and forecast income statements

### 6.3.1 Overview

Table 6.1 sets out the Statutory Historical Results for FY14, FY15, FY16 and the Statutory Forecast Results for FY17.

**TABLE 6.1: STATUTORY HISTORICAL RESULTS AND STATUTORY FORECAST RESULTS**

A\$'000s	Notes	Statutory Historical Results			Statutory Forecast Results
		FY14	FY15	FY16	FY17
Portfolio Income (Revenue)	(1)	331	2,994	8,451	17,979
Finance Expenses	(2)	(133)	(703)	(2,513)	(4,806)
<b>Net Portfolio Income</b>		<b>198</b>	<b>2,291</b>	<b>5,938</b>	<b>13,173</b>
Other income	(3)	–	25	242	371
<b>Net operating income</b>		<b>198</b>	<b>2,316</b>	<b>6,180</b>	<b>13,544</b>
Employee benefits expense		(132)	(664)	(2,033)	(4,423)
Provision for lease impairment		(112)	(293)	(833)	(1,131)
Depreciation and amortisation		(8)	(47)	(14)	(76)
Registration costs		(51)	(158)	(271)	(625)
General administration and marketing expenses	(4)	(150)	(340)	(1,015)	(2,565)
<b>Total operating expenses</b>		<b>(453)</b>	<b>(1,502)</b>	<b>(4,166)</b>	<b>(8,820)</b>
<b>Profit before Tax</b>		<b>(255)</b>	<b>814</b>	<b>2,014</b>	<b>4,724</b>
Tax expense		85	(340)	(584)	(1,369)
<b>NPAT</b>		<b>(169)</b>	<b>474</b>	<b>1,430</b>	<b>3,355</b>

**Notes:**

1. Portfolio income is equivalent to revenue from continuing operations as disclosed in the statutory financial statements. The Company's revenue recognition policy is explained in Appendix A. Portfolio income is net of initial direct costs incurred in negotiating and arranging the Equipment Finance Products. Initial direct costs incurred in negotiating and arranging are recognised in the carrying value of the receivables and amortised as an expense over the lease term on the same basis as the lease income. In addition, the revenue note extracted from the 30 June 2016 statutory accounts has been provided at Appendix B, Note 5.
2. The Company's finance expenses policy is explained in Appendix A. In addition, the expenses (finance costs) note extracted from the 30 June 2016 statutory accounts has been provided at Appendix B, Note 7.
3. Other income primarily relates to late payment fees.
4. General administration and marketing expenses primarily relate to estimated public company costs, lease costs on premises and variable costs associated with the movement in net receivables.

Table 6.2 below sets out the Pro Forma Historical Results for FY14, FY15, FY16 and Pro Forma Forecast Results for FY17.

**TABLE 6.2: PRO FORMA HISTORICAL RESULTS AND PRO FORMA FORECAST RESULTS**

Pro Forma Historical Results					Pro Forma Forecast Results
A\$'000s	Notes	FY14	FY15	FY16	FY17
Portfolio Income (Revenue)		331	2,994	8,451	17,979
Finance Expenses		(133)	(703)	(2,513)	(4,806)
<b>Net portfolio income</b>		<b>198</b>	<b>2,291</b>	<b>5,938</b>	<b>13,173</b>
Other income		–	25	242	371
<b>Net operating income</b>		<b>198</b>	<b>2,316</b>	<b>6,180</b>	<b>13,544</b>
Employee benefits expense		(132)	(664)	(2,033)	(4,423)
Provision for lease impairment		(112)	(293)	(833)	(1,131)
Depreciation and amortisation		(8)	(47)	(14)	(76)
Registration costs		(51)	(158)	(271)	(625)
General administration and marketing expenses		(642)	(850)	(1,543)	(2,838)
<b>Total operating expenses</b>		<b>(945)</b>	<b>(2,012)</b>	<b>(4,694)</b>	<b>(9,093)</b>
<b>Profit before Tax</b>		<b>(747)</b>	<b>304</b>	<b>1,486</b>	<b>4,451</b>
Tax expense		233	(187)	(426)	(1,287)
<b>NPAT</b>	(1)	<b>(514)</b>	<b>117</b>	<b>1,061</b>	<b>3,164</b>

**Notes:**

1. Pro forma NPAT is reconciled to statutory NPAT in Section 6.3.3.

### 6.3.2 Key operating metrics

Table 6.3 below sets out a summary of key operating and financial metrics for the financial periods reflected in the Financial Information. Sections 6.6 and 6.7 include commentary on key movements in the Financial Information and management's key operating metrics.

**TABLE 6.3 SETS OUT THE KEY OPERATING METRICS THAT ARE USED TO MONITOR PERFORMANCE AND FORECAST INCOME**

		Pro Forma Historical			Pro Forma Forecast
A\$'000s	Notes	FY14	FY15	FY16	FY17
Receivables Book Metrics					
Net receivables at year end	(1)	4,370	16,404	52,514	101,838
Growth in net receivables			275%	220%	94%
Average net receivables		2,258	10,291	31,819	80,836
Hospitality net receivables		3,146	12,535	31,392	62,879
Hospitality net receivables growth %			298%	150%	100%
Transport/Other net receivables		306	2,785	20,117	38,520
Transport/Other net receivables growth %			810%	622%	91%
Consumer net receivables		918	1,084	1,005	439
Consumer net receivables growth %			18%	(7%)	(56%)
Financial Metrics					
Portfolio Income (Revenue)		331	2,994	8,451	17,979
Portfolio income growth %			804%	182%	113%
Hospitality portfolio income		192	2,024	5,468	11,561
Hospitality portfolio income growth %			954%	170%	111%
Transport portfolio income		58	632	2,616	6,226
Transport portfolio income growth %			990%	314%	138%
Consumer portfolio income		81	338	367	191
Consumer portfolio income growth %			317%	9%	(48%)
Net portfolio income		198	2,291	5,938	13,173
Net portfolio income margin %	(2)	9%	22%	19%	16%
Credit losses/Ave Net Receivables %	(3)	0.0%	0.2%	1.3%	See Note 3
Lease impairment provision/Net Receivables %	(3)	2.5%	2.3%	1.5%	See Note 3
NPAT (pro forma)		(514)	117	1,061	3,164
NPAT growth %			123%	805%	198%
NPAT margin %		(155%)	4%	13%	18%

1. Net Receivables at year end excludes GST receivable and prepayments which are presented in trade and other receivables included in the Pro Forma Historical Balance Sheet in Section 6.4

2. Net portfolio income margin % is the calculation of net portfolio income as a percentage of average receivables for the year.

3. Historical annual credit loss (bad debts expense) rates of less than 1.4% of average Net Receivables. Credit losses represented 1.3% of average Net Receivables in the year to 30 June 2016. Whilst the credit loss rate is expected to increase gradually as the Receivable Book matures, Axsesstoday's expectation is the credit loss rate will remain below the 2.5% provisioning policy (refer to Section 3.4.6 for an overview of the lease impairment provision).

### 6.3.3 Pro forma adjustments to the Statutory Historical Results and Statutory Forecast Results

In presenting the pro forma income statements included in Section 6.3, certain adjustments to the Statutory Historical Results and Statutory Forecast Results have been made to exclude the impact of non-recurring items and to reflect the estimated incremental expenses the Company will incur as a publicly listed entity. These adjustments are summarised below in Table 6.4.

**TABLE 6.4: PRO FORMA ADJUSTMENTS TO THE STATUTORY HISTORICAL RESULTS AND STATUTORY FORECAST RESULTS**

		Historical Results			Forecast Results
		FY14	FY15	FY16	FY17
A\$'000s	Notes				
<b>Statutory NPAT</b>		<b>(169)</b>	<b>474</b>	<b>1,430</b>	<b>3,355</b>
Public Company Costs	(1)	(492)	(510)	(528)	(273)
Tax impact of adjustments	(2)	148	153	158	82
<b>Pro forma NPAT</b>		<b>(514)</b>	<b>117</b>	<b>1,061</b>	<b>3,164</b>

**Notes:**

1. *Public company costs: An adjustment has been made to the Statutory Historical Results and Statutory Forecast Results to reflect the estimated incremental expenses the Company will incur as a publicly listed entity. These costs include Director fees, incremental audit fees, legal costs, officers' insurance premiums fees, ASX fees, annual general meeting and other investor relations costs. The FY17 Statutory Forecast Results includes 6 months of public company costs to reflect the period following Completion of the Offer.*
2. *Tax impact of adjustments: The tax impact attributable to the pro forma adjustments has been calculated using an effective tax rate of 30%.*

### 6.4 Pro Forma Historical Balance Sheet

Set out in Table 6.5 is the Statutory Historical Balance Sheet as at 30 June 2016. Pro forma adjustments have been made to take into account the pre-IPO equity raise, the effect of the Offer and transaction costs. These adjustments reflect the impact of the operating and capital structure that will be in place following completion of the Offer as if they had occurred or were in place as at 30 June 2016.

**TABLE 6.5: STATUTORY HISTORICAL BALANCE SHEET AND PRO FORMA HISTORICAL BALANCE SHEET AS AT 30 JUNE 2016**

	30 June 2016 Audited	Pre-IPO equity raise (1)	Pre-IPO debt raise (2)	Impact of the Offer – net proceeds (3)	Impact of the Offer – application of funds (4)	Pro Forma
<b>A\$'000s</b>						
<b>Current assets</b>						
Cash and cash equivalents	600	3,490	-	8,997	(6,000)	7,087
Trade & other receivables <sup>5</sup>	19,795	-	-	-	-	19,795
<b>Total current assets</b>	<b>20,395</b>	<b>3,490</b>	<b>-</b>	<b>8,997</b>	<b>(6,000)</b>	<b>26,882</b>
<b>Non-current assets</b>						
Trade & other receivables <sup>5</sup>	34,329	-	-	-	-	34,329
Property, plant and Equipment	114	-	-	-	-	114
Intangible assets	453	-	-	-	-	453
<b>Total non-current assets</b>	<b>34,896</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>34,896</b>
<b>Total assets</b>	<b>55,291</b>	<b>3,490</b>	<b>-</b>	<b>8,997</b>	<b>(6,000)</b>	<b>61,778</b>
<b>Current liabilities</b>						
Trade and other payables	(940)	-	-	-	-	(940)
Borrowings <sup>6</sup>	(26,050)	-	25,300	-	750	-
Derivative financial instruments	(495)	-	-	-	-	(495)
Current tax liabilities	(178)	-	-	-	-	(178)
Provisions	(74)	-	-	-	-	(74)
<b>Total current liabilities</b>	<b>(27,737)</b>	<b>-</b>	<b>25,300</b>	<b>-</b>	<b>750</b>	<b>(1,687)</b>
<b>Non-current liabilities</b>						
Borrowings <sup>6</sup>	(21,239)	-	(25,300)	-	5,250	(41,289)
Deferred tax liabilities	(512)	-	-	-	-	(512)
<b>Total non-current liabilities</b>	<b>(21,752)</b>	<b>-</b>	<b>(25,300)</b>	<b>-</b>	<b>5,250</b>	<b>(41,802)</b>
<b>Total liabilities</b>	<b>(49,488)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,000</b>	<b>(43,488)</b>
<b>Net Assets</b>	<b>5,803</b>	<b>3,490</b>	<b>-</b>	<b>8,997</b>	<b>-</b>	<b>18,290</b>
<b>Equity</b>						
Contributed equity <sup>7</sup>	4,501	3,490	-	8,997	-	16,988
Other reserves	(346)	-	-	-	-	(346)
Retained earnings	1,648	-	-	-	-	1,648
<b>Total equity</b>	<b>5,803</b>	<b>3,490</b>	<b>-</b>	<b>8,997</b>	<b>-</b>	<b>18,290</b>

**Notes:**

1. Pre-IPO equity raise: In July 2016 Axsesstoday completed a pre-IPO equity raise from existing shareholders of \$3.5m net of \$10k of legal costs.
2. Pre-IPO debt raise: In September 2016 Axsesstoday issued \$20.0m of Corporate Bond (refer to Section 6.4.1 for a summary of the Corporate Bond terms). Net proceeds of \$19.3m after costs of the issue of \$0.7m which were capitalised against the debt was applied to reduce the balance of the Senior Corporate Debt Facility. Axsesstoday also secured a new Senior Corporate Debt Facility with a major Australian Financial Institution in November 2016. Refer to 6.4.1 for an overview of the facility. The change in financier to a new Senior Corporate Debt Facility results in the classification of the drawn down portion of the Senior Corporate Debt Facility being adjusted from current to non-current.
3. Impact of the Offer – net proceeds: This adjustment assumes that the Subscription Amount of \$10m which is not underwritten is successfully obtained. As a consequence of the Offer, cash & cash equivalents increase \$9.0m representing proceeds of the Offer of \$10.0m less costs of the Offer of \$1.0m. Contributed equity increases \$9.0m representing the proceeds of the Offer less expenses of the Offer. See Section 2.2 for details.
4. Impact of the Offer – application of funds: Net proceeds of the Offer of \$9.0m are used to repay \$2.8m shareholder loans (\$0.8m current and \$2.0m non-current) and reduce the balance of the Senior Corporate Debt Facility by \$3.2m. As a result, cash & cash equivalents decline \$6.0m. Refer to the uses of funds in Section 2.2 for further details.
5. The Company's accounting policy for trade and other receivables is explained in Appendix A. In addition, the trade and other receivables note extracted from the 30 June 2016 statutory accounts has been provided at Appendix B, Notes 10 and 13.
6. The Company's accounting policy for borrowings is explained in Appendix A. In addition, the borrowings note extracted from the 30 June 2016 statutory accounts has been provided at Appendix B, Notes 19 and 21.
7. The issuance of the Performance Shares (the terms and conditions of which are outlined in Section 11.4) does not impact the net assets or earnings of the Company. The Performance Shares were issued to and held by the Existing Shareholders prior to the Offer. The conversion of the Performance Shares will have a dilutionary impact on the Subscribers of Shares as set out in Section 1.8. Refer to Appendix A - Accounting Policies for the accounting policy for Performance Shares.

**6.4.1 Indebtedness and capitalisation**

The below Table sets out the indebtedness and capitalisation of Axsesstoday at 30 June 2016 before Completion of the Offer and immediately after Completion of the Offer.

**TABLE 6.6: INDEBTEDNESS AND CAPITALISATION AS AT 30 JUNE 2016**

<b>A\$'000s</b>	<b>Notes</b>	<b>Statutory as at 30 June 2016</b>	<b>Pro forma Adjustments</b>	<b>Pro forma as at 30 June 2016</b>
Cash and cash equivalents		600	6,487	7,087
<b>Long term Debt</b>				
Senior Corporate Debt Facility	(1)	-	(2,820)	(2,820)
Existing Corporate Bond		(19,239)	-	(19,239)
New Corporate Bond		-	(19,230)	(19,230)
Related Party Loans	(2)	(2,000)	2,000	-
<b>Total Long term Debt</b>		<b>(21,239)</b>	<b>(20,050)</b>	<b>(41,289)</b>
<b>Short term debt</b>				
Senior Corporate Debt Facility	(1)	(25,300)	25,300	-
Related Party Loans	(2)	(750)	750	-
<b>Total Short term Debt</b>		<b>(26,050)</b>	<b>26,050</b>	<b>-</b>
<b>Total Indebtedness</b>		<b>(47,289)</b>	<b>6,000</b>	<b>(41,289)</b>
<b>Net Debt</b>		<b>(46,689)</b>	<b>12,487</b>	<b>(34,202)</b>
Contributed Equity		4,501	12,487	16,988
Reserves and retained earnings		1,302	-	1,302
<b>Total capitalisation</b>		<b>5,803</b>	<b>12,487</b>	<b>18,290</b>
<b>Capitalisation Ratio</b>		<b>138%</b>		<b>180%</b>

**Notes:**

1. The short term Senior Corporate Debt Facility was repaid in part with the funds raised from the Corporate Bond in September 2016. Axsesstoday also secured a new Senior Corporate Debt Facility with a major Australian Financial Institution in November 2016. Refer to 6.4.2 for an overview of the facility. The change in financier to a new Senior Corporate Debt Facility results in the classification of the drawn down portion of the Senior Corporate Debt Facility being adjusted from current to non-current. Refer to Table 6.5 for more details.
2. Related Party Loans will be repaid from the funds raised from the Offer.

## 6.4.2 Description of Banking Facilities

### SENIOR CORPORATE DEBT FACILITY

<b>Limit:</b>	\$47.58m
<b>Availability period:</b>	24 months.
<b>Legal maturity:</b>	November 2018 being 2 years from the date of the Facility Agreement
<b>Importance:</b>	<p>A – Refinance of existing Senior Corporate Debt Facility and ongoing funding of eligible receivables</p> <p>B – Working capital and general corporate purposes</p> <p>C – Bank guarantees to be issued to the landlord of 50 Queen Street Melbourne Vic 3000</p> <p>D – General expenses</p>
<b>Commitment:</b>	Committed funding by one of the four major Australian banks. Drawing under the facilities is subject to certain conditions.
<b>Aksesstoday's costs:</b>	<p>Comprises the cost of establishing and managing the facility, plus the cost of the funding provided under the facility which is made up of:</p> <ul style="list-style-type: none"> <li>• The variable market reference rate as its base rate (i.e. BBSY);</li> <li>• A fixed margin of 2.1% (which may be renegotiated at the end of the Senior Corporate Debt Facility's term as part of the process of renewing the funding limit and, in some cases, may increase to a predetermined limit if the facility is not extended or certain other events occur and certain fees payable to the financiers);</li> <li>• An establishment fee on the limit of the facility; and</li> <li>• A line fee at a fixed margin of 1.4% on the limit of the facility.</li> </ul>
<b>Hedging:</b>	Aksesstoday is required to enter into an interest rate swap equal to a minimum of 50% of the principal balance drawn under Facility A of the Senior Corporate Debt Facility (Limit \$45m), with the cost of any basis-fixing arrangements (and associated break costs in the event of an unwind) being passed to Aksesstoday.
<b>Guarantees and Security:</b>	The Senior Corporate Debt Facility is (and is required to be on an ongoing basis) guaranteed by Aksesstoday, and wholly-owned Subsidiaries of Aksesstoday (each a Guarantor). Subject to exceptions, each Guarantor grants security over all of its assets in favour of a security trustee to secure the Senior Corporate Debt Facility. The guarantees and security may also secure hedging entered into in respect of the Senior Corporate Debt Facility.
<b>Term of funding:</b>	<p>Renewal of the committed funding limit and extension of the availability period of the relevant Senior Corporate Debt Facility is negotiated periodically.</p> <ul style="list-style-type: none"> <li>• Funding limits and commitment of the senior financiers may or may not be renewed as part of this process. If a funding limit or commitment is not renewed, new receivables may in some cases not be able to be funded unless funding is available under alternative Senior Facilities.</li> <li>• As part of the extension process the margin applicable to a Senior Corporate Debt Facility may be increased (which may in turn increase the overall cost of funds), or other changes may be made to the terms of the facilities (such as changes to the amount of capital support required and the eligibility of new receivables that may be funded), potentially constraining the ability to provide further Customer Funding Amounts.</li> </ul>
<b>Financial Covenants:</b>	<p>The Senior Corporate Debt Facility is subject to certain financial covenants. The financial covenants will be tested quarterly as at each 31 March, 30 June, 30 September and 31 December, in each case with reference to the consolidated financial statements of Aksesstoday.</p> <ul style="list-style-type: none"> <li>• Gearing Ratio &lt; 65% defined as: Gross Senior Debt divided by Eligible Receivables.</li> <li>• Interest Cover Ratio: From Financial Close until 30 June 2017 &gt; 1.5x and thereafter &gt; 2.0x, defined as: earnings before interest and tax divided by Net Interest Expense (measured on a rolling 12 month basis).</li> </ul>



- Arrears Ratio < 4.0% defined as: Arrears Receivables divided by Eligible Receivables.
- Liquidity Ratio: Defined as Credit Adjusted Senior Financial Indebtedness < Rental Payment Amount.
- Equipment Receivables Ratio > 90% defined as: Equipment Receivables divided by Aggregate balance of all Receivables.

**Independent Accountant Review:** An independent accountant review to be conducted each quarter on the Receivable Book.

## CORPORATE BOND OVERVIEW

<b>Limit:</b>	\$40m. As at the Completion of the Offer, the Corporate Bond will be fully drawn.
<b>Maturity:</b>	9 October 2020
<b>Importance:</b>	An efficient funding source of providing support to Senior Corporate Debt Facility.
<b>Commitment:</b>	Committed funding provided in Australian dollars.
<b>Aksesstoday's cost of funding:</b>	Costs of establishing and maintaining the Corporate Bond, plus the cost of the funding provided to the Corporate Bond, which is made up of: A variable market reference rate as its base rate (BBSW) plus a fixed margin of 6.5%.
<b>Guarantees and security:</b>	<p>The Corporate Bonds are secured by a second ranking security interest over all of Aksesstoday Commercial's present and after acquired property.</p> <p>The Corporate Bonds are subordinated to the Senior Corporate Debt Facility (and are required to be on an ongoing basis) and guaranteed by Aksesstoday, and wholly-owned Subsidiaries of Aksesstoday (each a Guarantor).</p>
<b>Covenants:</b>	<p>The corporate note is subject to certain financial covenants. The financial covenants will be tested monthly in each case with reference to the financial statements of Aksesstoday. The key components of those financial covenants are summarised below:</p> <ul style="list-style-type: none"> <li>• Ratio of all amounts drawn under any Secured Debt to the Eligible Receivable Balance of the Issuer &lt; 0.85:1;</li> <li>• Ratio of all amounts drawn under any Senior Secured Debt to the Eligible Receivable Balance of the Issuer &lt; 0.65:1;</li> <li>• Amount of Credit Adjusted Financial Indebtedness is less than Rental Payment Amount;</li> <li>• Ratio of all Financial Indebtedness of the Covenant Group to the Eligible Receivable Balance of the Issuer &lt; 0.85:1;</li> <li>• Interest Cover Ratio &gt; 1.5:1 (for the year ended 30 June 2017 and 2.0% thereafter;</li> <li>• Eligible Receivable Balance &gt; \$21m;</li> <li>• Equipment Receivables Ratio &gt; (greater or equal to) 90%;</li> <li>• EBITDA generated by the Issuer and the Guarantors &gt; (greater or equal to) 90% of the Aksesstoday Group EBITDA; and</li> <li>• Total Tangible Assets of the Issuer and the Guarantors &gt; (greater or equal to) 90% of the consolidated Aksesstoday Group Total Tangible Assets.</li> </ul> <p>All covenants have been complied with as at 30 June 2016.</p>
<b>Independent Accountant Review:</b>	An independent accountant review to be conducted each quarter on the Receivable Book.



### 6.4.3 Liquidity and capital resources

Following Completion of the Offer, the Company's principal sources of funds will be cash flow from operations, borrowings under the New Corporate Debt Facilities and the funds raised from the Offer. The Group's historical and forecast working capital movements and capital expenditure are set out in Section 6.5.

The Company expects to have sufficient cash flow to meet its stated objectives as set out in this Prospectus.

### 6.4.4 Contractual obligations and commitments

**TABLE 6.7: PRO FORMA CONTRACTUAL OBLIGATIONS AND COMMITMENTS AT 30 JUNE 2016**

A\$'000s	Notes	< 1 Year	1 - 5 Years	>5 Years	Total commitments
Operating Lease	(1)	67	-	-	67

**Notes:**

1. The group leases office space under a non-cancellable operating lease expiring in April 2017. There is the option for the group to extend the operating lease for another year with an increase in rent expense in line with the CPI index. However, the Company is expecting to lease a new premises in Melbourne to accommodate anticipated headcount growth, as well as establish a small office in Sydney. The estimated higher lease costs have been reflected in the FY17 forecast from January 2017.

## 6.5 Historical and forecast cash flows

### 6.5.1 Overview

Table 6.8 sets out the Pro Forma Historical Cash Flows for FY14, FY15 & FY16, Pro Forma Forecast Cash Flows for FY17 and the Statutory Forecast Cash Flows for FY17.

**TABLE 6.8: PRO FORMA HISTORICAL CASH FLOWS AND PRO FORMA FORECAST CASH FLOWS**

A\$'000s	Notes	Pro Forma Historical Cash Flows			Pro Forma Forecast Cash Flows	Statutory Forecast Cash Flows
		FY14	FY15	FY16	FY17	FY17
<b>NPAT</b>		<b>(514)</b>	<b>117</b>	<b>1,061</b>	<b>3,164</b>	<b>3,355</b>
<b>Cash Flow from Operating Activities:</b>						
Depreciation and amortisation	(1)	8	47	14	76	76
Net (gain) / loss on sale of non-current assets		-	-	(63)	(15)	(15)
Changes in tax payable and deferred tax liabilities		(85)	340	381	1,071	1,071
Changes in payables and provisions		(2)	170	681	625	625
Changes in trade & other receivables	(2)	(4,332)	(12,264)	(37,119)	(48,524)	(48,524)
<b>Net Cash Flow from Operating Activities</b>		<b>(4,925)</b>	<b>(11,590)</b>	<b>(35,046)</b>	<b>(43,604)</b>	<b>(43,412)</b>
<b>Cash Flow from Investing Activities:</b>						
Payments for PP&E and Intangibles		(52)	(204)	(257)	(316)	(316)
Proceeds from the sale of PP&E		-	-	135	-	-
Proceeds from Related Party Loans	(3)	2,446	2,196	750	-	-
<b>Total Cash Flow from Investing Activities</b>		<b>2,394</b>	<b>1,992</b>	<b>628</b>	<b>(316)</b>	<b>(316)</b>
<b>Cash Flow from Financing Activities:</b>						
Proceeds from issues of shares	(4)	-	1,000	500	-	-
Proceeds from pre-IPO Equity Raise		-	-	-	3,490	3,490
Proceeds from debt net of repayments	(5)	2,500	8,500	14,300	14,382	14,382
Proceeds from corporate note	(6)	-	-	19,239	19,230	19,230
Proceeds of the Offer	(7)	-	-	-	10,000	10,000
Less: Costs of the Offer		-	-	-	(1,003)	(1,003)
<b>Net Cash Flow from Financing Activities</b>		<b>2,500</b>	<b>9,500</b>	<b>34,039</b>	<b>46,099</b>	<b>46,099</b>
<b>Net cash flow</b>		<b>(32)</b>	<b>(98)</b>	<b>(379)</b>	<b>2,179</b>	<b>2,370</b>

**Notes:**

1. Reflects depreciation and amortisation expense.
2. Net increase in receivables due from customers reflects the cash outflow from the increase in Net Receivables, prepaid expenses and GST receivable.
3. Proceeds from related party loans are loans provided by existing Shareholders in FY14 of \$2.5m in FY15 of \$2.0m and in FY16 of \$0.8m. As discussed in Note 4 to the Pro Forma Historical Balance Sheet proceeds of the Offer will be used to pay down the current shareholder loans balance of \$2.8m to nil (refer to Section 4.4).
4. Issue of 1,000,000 Shares in December 2015 for \$1.0m and 500,000 Shares in June 2016 for \$0.5m.
5. Proceeds from revolving Senior Corporate Debt Facility and shareholder loans net of the repayments made as a result of the offer. Refer to Section 2.2 for a detailed breakdown of the use of funds.
6. Proceeds from Corporate Note reflects the issue of Corporate Bonds in October 2015 and October 2016 for \$19.2m and \$19.3m respectively net of transaction costs. Both tranches of the corporate note mature in 5 years. Key terms of the corporate note are discussed at Section 6.4.2.
7. As a result of the Offer \$10.0m is raised less costs associated with the Offer of \$1.0m.



### 6.5.2 Pro forma adjustments to the statutory operating cash flows

The table below sets out the adjustments that have been made to the Statutory Historical Cash Flows and Statutory Forecast Cash Flows to derive the Pro Forma Historical Cash Flows and Pro Forma Forecast Cash Flows.

**TABLE 6.9: PRO FORMA ADJUSTMENTS TO THE STATUTORY HISTORICAL CASH FLOWS AND STATUTORY FORECAST CASH FLOWS**

A\$'000s	Notes	Historical Cash Flows		Forecast Cash Flows	
		FY14	FY15	FY16	FY17
<b>Statutory Net Cash Flows</b>		<b>313</b>	<b>259</b>	<b>(9)</b>	<b>3,277</b>
<b>Cash flow impact of pro-forma adjustments to NPAT</b>	(1)				
Public Company Costs		(492)	(510)	(528)	(273)
Tax impact of adjustments		148	153	158	82
<b>Pro forma cash flow</b>		<b>(32)</b>	<b>(98)</b>	<b>(379)</b>	<b>3,086</b>

**Notes:**

1. Refer to section 6.3.3 for notes relating to these adjustments.

## 6.6 Management discussion and analysis of the Financial Information and key operating metrics

### 6.6.1 General factors affecting the operating results of the Company

Below is a discussion of the general factors which affected Axsesstoday's operations and historical financial performance which the Directors expect may continue to affect its performance in the future. The discussion of these general factors is intended to provide a brief summary only and does not detail all factors that affected Axsesstoday's historical operating and financial performance, nor everything which may affect operations and financial performance in the future.

#### Key operating metrics

Table 6.3 sets out the key operating metrics that are used to monitor performance and forecast revenue.

#### Portfolio Income

Axsesstoday's portfolio income is predominantly derived from the implicit interest revenue from receivables with customers. The key drivers of portfolio income for Axsesstoday are:

- The size of the Receivable Book portfolio whereby an implicit interest rate is recognised in the lease payments made by the customer;
- The average duration term of the lease across the portfolio;
- The number of new retail merchants accredited that provide a referral source of new customers to Axsesstoday;
- The potential effect of maturing receivables and early repayments; and
- Initial direct costs which are incurred in negotiating and arranging the customer lease with Retail Merchants. These costs are generally a percentage of new loans written and are deferred and amortised to the income statement against portfolio income over the term of the Equipment Finance Product receivable.

#### Finance expenses

Finance expenses reflect interest fees, charges and other related expenses associated with the Senior Corporate Debt Facility and the Corporate Notes. The key drivers of finance expenses are:

- The base funding being BBSY (for Senior Corporate Debt Facility) and BBSW (for Corporate Note);

- The margin and other associated fees relating to the funding facilities;
- The mix between funding facilities;
- The amount of debt drawn down which is generally influenced by net growth of the receivable portfolio; and
- Repayment of borrowings

#### Net Portfolio Income

- Reflects the net margin between portfolio income earned on the net receivable portfolio and finance expenses paid in relation to the Corporate Note and the Senior Corporate Debt Facility.

#### Other income

- Other income includes late payment fees recovered in the period.

#### Operating expenses principally comprise the following elements:

- **Employee benefits expense:** Represents salaries, wages, on-costs and bonuses paid to employees of Axsesstoday. An Employee Performance Rights Plan will be in place from Completion of the Offer, see Section 7.6 for further details.
- **Provision expense for lease impairment:** Axsesstoday has adopted an expense policy to recognise an impairment provision equal to 2.5% of the closing average monthly Receivable balance that is expensed on a monthly basis. The 2.5% provision is net of any receivables that have been impaired or deemed uncollectible.
- **Depreciation:** Represents the depreciation of fixed assets within the business. The following rates have been consistently applied over the historical and forecast periods:
  - Computers 20% p.a.
  - Branding 25% p.a.
  - Development & Infrastructure 10% p.a.
  - Furniture and Fixtures 20% p.a.
- **Registration costs:** Represents software license fees relating to the daily operations of the business and is a function of business volumes.
- **General administration and marketing expense:** Primarily represents administration, marketing and advertising expenses, travel and entertainment, and an estimate of listed company expenses.
- **Tax:** The Company only operates within Australia. The Australian Corporate tax rate is 30%.

## 6.6.2 Pro Forma Historical Results: FY15 compared to FY14

**TABLE 6.10: PRO FORMA HISTORICAL RESULTS FOR FY15 COMPARED TO FY14**

Pro Forma Historical Results				
A\$'000s	FY14	FY15	Change	% change
Portfolio Income (Revenue)	331	2,994	2,663	804%
Finance Expenses	(133)	(703)	(570)	429%
<b>Net Portfolio Income</b>	<b>198</b>	<b>2,291</b>	<b>2,093</b>	<b>(198)</b>
Other income	-	25	25	-
<b>Net operating income</b>	<b>198</b>	<b>2,316</b>	<b>2,118</b>	<b>1069%</b>
Employee benefits expense	(132)	(664)	(532)	403%
Provision for lease impairment	(112)	(293)	(181)	162%
Depreciation and amortisation	(8)	(47)	(39)	488%
Registration costs	(51)	(158)	(107)	210%
General administration and marketing expenses	(642)	(850)	(207)	32%
<b>Total operating expenses</b>	<b>(945)</b>	<b>(2,012)</b>	<b>(1,066)</b>	<b>113%</b>
<b>Profit before Tax</b>	<b>(747)</b>	<b>304</b>	<b>1,052</b>	<b>(141%)</b>
Tax expense	233	(187)	(420)	(180%)
<b>NPAT</b>	<b>(514)</b>	<b>117</b>	<b>631</b>	<b>(123%)</b>

### Portfolio Income (Revenue)

Portfolio income increased by \$2.7m or 804% from \$0.3m in FY14 to \$3.0m in FY15.

Hospitality portfolio income increased from \$0.2m in FY14 to \$2.0m in FY15 and transport/other portfolio income increased from \$0.1m in FY14 to \$0.6m in FY15.

Portfolio income growth was primarily due to an increase in net receivables of which hospitality grew by \$9.4m and transport/other grew by \$2.5m. The growth in net receivables was largely attributed to the increased number of accredited Retail Merchants from 6 to 18.

The consumer portfolio income increased \$0.3m from FY14 to FY15. The growth was due to a \$0.2m increase in consumer net receivables from \$0.9m in FY14 to \$1.1m in FY15. The relatively small increase in

consumer net receivables was driven by a shift in the Company's strategy and focus towards the commercial hospitality and transport sectors.

### Net Portfolio Income

The net portfolio income increased from \$0.2m in FY14 to \$2.3m in FY15. Net portfolio income margin increased from 9% in FY14 to 22% in FY15. The increase in margin was the result of the business beginning to achieve scale in net receivables which reduced the impact on margin of fixed line fee costs under the previous Senior Corporate Debt Facility.

### Other Income

Other income increased to \$25k driven by Net Receivable growth.



**Total Operating expenses**

Total operating expenses increased by \$1.1m or 113% from \$0.9m in FY14 to \$2.0m in FY15 driven by:

- **Employee benefits expense** increased from \$132k in FY14 to \$664k in FY15. This increase was due to the employment of 5 full time additional staff.
- **Provision for lease impairment** increased from \$112k in FY14 to \$293k in FY15 driven by the growth in net receivables over the period.
- **Depreciation and amortisation** increased from \$8k in FY14 to \$47k in FY15 due to the purchase of additional computers and related equipment as a result of employee headcount growth.

- **Registration costs** increased from \$51k in FY14 to \$158k in FY15. The increase was driven by the growth in net receivables.

- **General administration and marketing expenses** increased from \$642k in FY14 to \$850k in FY15 primarily due to recruitment expenses and expenses relating to the accreditation of new retail merchants.

**Net Profit After Tax**

NPAT increased from (\$0.5m) in FY14 to \$0.1 m in FY15 due to the above movements which were partially offset by an associated \$0.4m increase in tax expense.

**6.6.3 Pro Forma Historical Cash Flows for FY15 compared to FY14****TABLE 6.11: PRO FORMA HISTORICAL CASH FLOWS FOR FY15 COMPARED TO FY14**

Pro Forma Historical Cash Flows				
A\$'000s	FY14	FY15	Change	% Change
<b>NPAT</b>	<b>(514)</b>	<b>117</b>	<b>631</b>	<b>(123%)</b>
<b>Cash Flow from Operating Activities:</b>				
Depreciation and amortisation	8	47	39	488%
Changes in tax payable and deferred tax liabilities	(85)	340	425	(500%)
Changes in payables and provisions	(2)	170	172	(8157%)
Changes in trade & other receivables	(4,332)	(12,264)	(7,932)	183%
<b>Total Cash Flow from Operating Activities</b>	<b>(4,925)</b>	<b>(11,590)</b>	<b>(6,665)</b>	<b>135%</b>
<b>Cash Flow from Investing Activities:</b>				
Payments for PP&E and Intangibles	(52)	(204)	(152)	289%
Proceeds from Related Party Loans	2,446	2,196	(250)	(10%)
<b>Net Cash Flow from Investing Activities</b>	<b>2,394</b>	<b>1,992</b>	<b>(402)</b>	<b>(17%)</b>
<b>Cash Flow from Financing Activities:</b>				
Proceeds from issues of shares	-	1,000	1,000	N.A.
Proceeds from pre-IPO Equity Raise	-	-	-	N.A.
Proceeds from debt net of repayments	2,500	8,500	6,000	240%
<b>Net Cash Flow from Financing Activities</b>	<b>2,500</b>	<b>9,500</b>	<b>7,000</b>	<b>280%</b>
<b>Net cash flow</b>	<b>(32)</b>	<b>(98)</b>	<b>(66)</b>	<b>210%</b>



Net cash outflow decreased \$66k from (\$32k) in FY14 to (\$98k) in FY15 due to:

- Operating activities cash outflow reduced by \$6.7m, the result of an increase in payments for trade & other receivables by \$7.9m offset by an increase in NPAT of \$0.6m;
- Investing activities cash flows decreased by \$0.4m due to \$0.3m lower proceeds

from related party loans and an increase in payments for PP&E and Intangibles of \$0.2m; and

- Financing activities cash flows increased \$7.0m, the result of the proceeds from the issue of shares of \$1.0m and the net proceeds from the Senior Corporate Debt Facility of \$6.0m.

#### 6.6.4 Pro Forma Historical Results: FY16 compared to FY15

**TABLE 6.12: PRO FORMA HISTORICAL RESULTS FOR FY16 COMPARED TO FY15**

Pro Forma Historical Results				
A\$'000s	FY15	FY16	Change	% change
Portfolio Income (Revenue)	2,994	8,451	5,457	182%
Finance Expenses	(703)	(2,513)	(1,810)	257%
<b>Net Portfolio Income</b>	<b>2,291</b>	<b>5,938</b>	<b>3,647</b>	<b>159%</b>
Other income	25	242	217	868%
<b>Net operating income</b>	<b>2,316</b>	<b>6,180</b>	<b>3,864</b>	<b>167%</b>
Employee benefits expense	(664)	(2,033)	(1,369)	206%
Provision for lease impairment	(293)	(833)	(540)	184%
Depreciation and amortisation	(47)	(14)	33	(70%)
Registration costs	(158)	(271)	(113)	72%
General administration and marketing expenses	(850)	(1,543)	(693)	82%
<b>Total operating expenses</b>	<b>(2,012)</b>	<b>(4,694)</b>	<b>(2,682)</b>	<b>133%</b>
<b>Profit before Tax</b>	<b>304</b>	<b>1,486</b>	<b>1,182</b>	<b>388%</b>
Tax expense	(187)	(426)	(239)	128%
<b>NPAT</b>	<b>117</b>	<b>1,061</b>	<b>944</b>	<b>805%</b>

### Portfolio Income (Revenue)

Portfolio income increased by \$5.5m or 182% from \$3.0m in FY15 to \$8.5 in FY16.

Hospitality portfolio income increased from \$2.0m in FY15 to \$5.4m in FY16 and transport/other portfolio income increased from \$0.6m in FY15 to \$2.6 in FY16.

Portfolio income growth was primarily due to an increase in net receivables of which hospitality grew by \$18.9m and transport/other grew by \$17.3m. The growth in net receivables was largely attributed to the increased number of accredited retail merchants from 21 to 140.

The consumer portfolio income remained relatively steady at \$0.3m in FY15 and \$0.4m in FY16. The limited year on year growth in the consumer portfolio income compared to prior periods was due to a \$0.1m decline in consumer net receivables from \$1.1m in FY15 to \$1.0m in FY16 as the company continued to shift focus towards the commercial hospitality and transport sectors.

### Other income

Other income increased by \$217k from \$25k in FY15 to \$242k in FY16 driven by net receivable growth.

### Net Portfolio Income

The net portfolio income increased from \$2.3m in FY15 to \$5.9m in FY16. Net portfolio income margin declined from 22% in FY15 to 19% in FY16. The decrease is the result of the issue of the Corporate Bond in October 2015 to facilitate growth as the Corporate Bond attracts a higher interest rate than the Senior Corporate Debt Facility. Axesstoday's effective interest expense increased.

### Total Operating expenses

Total operating expenses increased by \$2.7m or 133% from \$2.0m in FY15 to \$4.7m in FY16 driven by:

- **Employee benefits expense** increased from \$664k in FY15 to \$2,033k in FY16. This increase was due to the employment of 14 full time additional staff and senior appointments.
- **Provision for lease impairment** increased from \$293k in FY15 to \$833k in FY16 driven by the growth in net receivables over the period.
- **Depreciation and amortisation** decreased from \$47k in FY15 to \$14k in FY16. The Company completed a review of its IT systems, resulting in the development of further functions during the year. Whilst the systems were being developed depreciation was not recognised leading to the depreciation decline in FY16.
- **Registration costs** increased from \$158k in FY15 to \$271k in FY16 driven by growth in net receivables.
- **General administration and marketing expense** increased from \$850k in FY15 to \$1,543k in FY16 primarily due to costs incurred in the accreditation of new retail merchants such as travel expenses and recruitment costs.

### Net Profit After Tax

NPAT increased from \$0.1m in FY15 to \$1.1m in FY16 due to the above movements which were partially offset by an associated \$0.2m increase in tax expense.

**6.6.5 Pro Forma Historical Cash Flows: FY16 compared to FY15****TABLE 6.13: PRO FORMA HISTORICAL CASH FLOWS FOR FY16 COMPARED TO FY15**

Pro Forma Historical Cash Flows				
A\$'000s	FY15	FY16	Change	% Change
<b>NPAT</b>	<b>117</b>	<b>1,061</b>	<b>944</b>	<b>805%</b>
<b>Cash Flow from Operating Activities:</b>				
Depreciation and amortisation	47	14	(33)	(70%)
Net (gain) / loss on sale of non-current assets	-	(63)	(63)	N.A.
Changes in tax payable and deferred tax liabilities	340	381	42	12%
Changes in payables and provisions	170	681	511	301%
Changes in trade & other receivables	(12,264)	(37,119)	(24,856)	203%
<b>Total Cash Flow from Operating Activities</b>	<b>(11,590)</b>	<b>(35,046)</b>	<b>(23,456)</b>	<b>202%</b>
<b>Cash Flow from Investing Activities:</b>				
Payments for PP&E and Intangibles	(204)	(257)	(53)	26%
Proceeds from the sale of PP&E	-	135	135	N.A.
Proceeds from Related Party Loans	2,196	750	(1,446)	(66%)
<b>Total Cash Flow from Investing Activities</b>	<b>1,992</b>	<b>628</b>	<b>(1,364)</b>	<b>(68%)</b>
<b>Cash Flow from Financing Activities:</b>				
Proceeds from issues of shares	1,000	500	(500)	(50%)
Proceeds from pre-IPO Equity Raise	-	-	-	N.A.
Proceeds from debt net of repayments	8,500	14,300	5,800	68%
Proceeds from Corporate Note	-	19,239	19,239	N.A.
<b>Total Cash Flow from Financing Activities</b>	<b>9,500</b>	<b>34,039</b>	<b>24,539</b>	<b>258%</b>
<b>Net cash flow</b>	<b>(98)</b>	<b>(379)</b>	<b>(281)</b>	<b>286%</b>

Net cash outflow decreased \$0.3m from (\$0.1m) in FY15 to (\$0.4m) in FY16 due to:

- Total cash outflow from operating activities increased \$23.5m, the result of an increase in trade & other receivables of \$24.9m, partially offset by an increase in NPAT of \$0.9m and the cash blow benefit of a \$0.5m increase in payables and provisions;
- Investing activities cash flows decreased \$1.4m, the result of a decrease in proceeds

from related party loans of \$1.5m which is partially offset by higher proceeds for the sale of PP&E of \$0.1m; and

- Financing activities cash flows increased \$24.5m, primarily the result of the proceeds from Corporate Bond issue of \$19.2m and the net proceeds from the Senior Corporate Debt Facility of \$5.8m.

## 6.7 Forecast Financial Information

The basis of preparation of the Forecast Financial Information is detailed in Section 6.2.3. This Section describes the Directors' best estimate general and specific assumptions made in preparing the Forecast Financial Information.

### 6.7.1 Directors' best estimate assumptions

The Forecast Financial Information is based on various best estimate assumptions, of which the key assumptions are set out below in Sections 6.7.2 and 6.7.3.

In preparing the Forecast Financial Information, Management has undertaken an analysis of historical performance and applied assumptions in order to estimate future performance for FY17. The Directors believe that the Forecast Financial Information has been prepared with due care and attention and considers all assumptions when taken as a whole to be reasonable at the time of preparing this Prospectus. However, the actual results are likely to vary from those forecasts and any variation may be materially positive or negative.

The assumptions upon which the Forecast Financial Information is based are by their nature, subject to significant uncertainties and contingencies, many of which are outside the control of the Company, the Directors and management and are not readily predictable. Axsesstoday, its Directors, management or any other person cannot give any assurance that the Forecast Financial Information or any prospective statement contained in this Prospectus will be achieved.

The general and specific assumptions below are a summary only and do not represent all factors that will affect the Group's forecast financial performance. The assumptions set out below should be read in conjunction with the sensitivity analysis set out in Section 6.8, the risk factors set out in Section 5 and the Independent Limited Assurance Report on the Forecast Financial Information set out in Section 9. A reconciliation of the Pro Forma Forecast NPAT to the Statutory Forecast NPAT is set out in Section 6.3.3.

### 6.7.2 General assumptions

In preparing the Forecast Financial Information, the following general best estimate assumptions have been adopted:

- no material change in the competitive operating environment;
- no significant change in the current economic and market conditions in Australia;
- no significant change in legislative regimes (including tax), regulatory environments or government policies in the jurisdictions in which Axsesstoday or its key customers or suppliers operate;
- no material cash flow, income statement or balance sheet impact in relation to litigation (existing or otherwise);
- retention of key personnel;
- no material business acquisition, disposals or restructuring;
- no changes in applicable AAS and other mandatory professional reporting requirements of the Corporations Act which would have a material effect on the Group's financial performance, cash flow, financial position, accounting policies, financial reporting or disclosures as the Company is still assessing the impact of new standards such as AASB 9 Financial Instruments, AASB 15 Revenue from contracts with customers and AASB 16 Leases;
- no change in the Company's capital structure other than as set out in, or contemplated by, this Prospectus;
- no material amendment to any material agreement or arrangement related to the Group's business;
- none of the risks factors listed in Section 5 have a material adverse impact upon the operations of the Group; and
- the Offer proceeds are received in accordance with the timetable set out in the important dates per page 18.

### 6.7.3 Specific assumptions

The Forecast Financial Information is based on the following Assumptions:

#### Completion of the Offer

The Offer is not underwritten. The Forecast Financial Information has been prepared on the assumption that the Subscription Amount of \$10m is obtained. Refer to Section 2.2 for further details.

## Net finance income

### Portfolio income

In forecasting portfolio income, Axesstoday has assessed portfolio income from existing receivables (Historic-book) and new receivables to be written during the forecast period (Forward-book). Key assumptions for each include:

#### Historic-book portfolio income:

- Portfolio Income is determined on the Company's gross receivables as at 31 August 2016 and has been calculated based on the specific contractual terms of individual receivables expected to be received over the term. Early repayment by customers have been limited historically, comprising a total of \$1.8m or 3.1% of net receivables at 31 August 2016 and therefore have been forecast as nil. This is discussed further in Sensitivity Analysis, Section 6.8.

#### Forward-book portfolio income:

- Income is determined by the Company's forecast new hospitality and transport/other Equipment Finance Product receivables written between 1 September 2016 and 30 June 2017, and is based on the current performance of the business. The Company is assumed to write \$33.2m (ex. GST) of new hospitality Equipment Finance Product receivables and \$21.3m (ex. GST) of new transport/other Equipment Finance Product receivables between 1 September 2016 and 30 June 2017. Other factors influencing portfolio income generated from the forward book, include:
  - The number of Retailer Merchants are assumed to remain relatively steady;
  - Initial direct costs are assumed to remain consistent with historic periods as a percentage of new loans written; and
  - Seasonality – Generally new loans written are lower over the December, January and February Christmas period.

### Finance expenses

- Finance expenses for the forecast period are based on the terms outlined in Senior Corporate Debt Facility and corporate note discussed in Section 6.4.2. The Senior Corporate Debt Facility will be refinanced at the time of the Offer.
- The interest rate on the Senior Corporate Debt Facility forecast post the Offer date has been assumed at the current BBSY rate plus the funding margin and taking into consideration the current and future interest rate swap facilities;
- The interest rate on the Corporate Note has been assumed at the current 90 day average BBSW rate for the period 11 July 2016 to 10 October 2016 of 1.965% plus the funding margin.

### Operating expenses assumptions

- Employee expenses: Assumes an increase of 8 full time employees to provide origination and operational support;
- Lease Impairment Provision Expense: Assumed impairment provision expense of 2.5% of the closing average monthly Receivable balance that is expensed on a monthly basis;
- Depreciation and Amortisation Expense: No change from historical depreciation rates;
- Registration costs are forecast to correlate to the growth in net receivables; and
- General administration and marketing expenses: Includes administration, marketing and advertising initiatives, and other variable expenses from new receivables written and assumed 3% inflation rate.

### Tax

- Tax expense has been assumed at the corporate tax rate of 30%.

**6.7.4 Pro Forma Historical Results and Pro Forma Forecast Results: FY17 compared to FY16****TABLE 6.14: PRO FORMA FORECAST RESULTS AND PRO FORMA HISTORICAL RESULTS FOR FY17 COMPARED TO FY16**

<b>Pro Forma Historical and Forecast Results</b>				
<b>A\$'000s</b>	<b>FY16</b>	<b>FY17</b>	<b>Change</b>	<b>% change</b>
Portfolio Income (Revenue)	8,451	17,979	9,528	113%
Finance Expenses	(2,513)	(4,806)	(2,293)	91%
<b>Net Portfolio Income</b>	<b>5,938</b>	<b>13,173</b>	<b>7,235</b>	<b>122%</b>
Other income	242	371	129	53%
<b>Net operating income</b>	<b>6,180</b>	<b>13,544</b>	<b>7,364</b>	<b>119%</b>
Employee benefits expense	(2,033)	(4,423)	(2,390)	118%
Provision for lease impairment	(833)	(1,131)	(298)	36%
Depreciation and amortisation	(14)	(76)	(62)	443%
Registration costs	(271)	(625)	(354)	131%
General administration and marketing expenses	(1,543)	(2,838)	(1,295)	84%
<b>Total operating expenses</b>	<b>(4,694)</b>	<b>(9,093)</b>	<b>(4,399)</b>	<b>94%</b>
<b>Profit before Tax</b>	<b>1,486</b>	<b>4,451</b>	<b>2,965</b>	<b>199%</b>
Tax expense	(426)	(1,287)	(861)	202%
<b>NPAT</b>	<b>1,061</b>	<b>3,164</b>	<b>2,103</b>	<b>198%</b>

### Portfolio Income (Revenue)

Portfolio income is assumed to increase by \$9.5m or 113% from \$8.5m in FY16 to \$18.0m in FY17.

Hospitality portfolio income is assumed to increase from \$5.4m in FY16 to \$11.6m in FY17 and the transport/other portfolio income is assumed to increase from \$2.6m in FY16 to \$6.2m in FY17.

The key drivers of the forecast growth in portfolio income are attributable to the following:

- \$5.3m of income growth from the historic book portfolio, primarily reflecting the full year impact of new loans written in FY16; and
- \$4.4m of income growth from the forward book portfolio, reflecting an increase in deal flow from the Company's existing network of Retail Merchants as the relationships that have been established in prior years, particularly in the second half of FY16, strengthen; partially offset by
- A \$0.2m decline in consumer portfolio income as consumer net receivables continues to decline \$0.5m from \$0.9m in FY16 to \$0.4m in FY17 as no new consumer receivables are written due to the shift in strategy towards consumer hospitality and transport sectors.

### Other income

Other income is forecast to increase \$129k from \$242k in FY16 to \$371k in FY17 driven by net receivable growth.

### Net Portfolio Income

The net portfolio income is assumed to increase from \$5.9m in FY16 to \$13.2m in FY17. Net portfolio income margin is expected to decrease from 19% in FY16 to 16% in FY17. The decrease is primarily due to a change in funding mix.

### Total operating expenses

Total operating expenses are forecast to increase by \$4.4m or 94% from \$4.7m in FY16 to \$9.1m in FY17 driven by:

- **Employee benefits expense** are forecast to increase from \$2,033k in FY16 to \$4,423k in FY17. This increase reflects the full year impact of senior appointments and the addition of a further 10 full time employees to support FY17 portfolio growth.
- **Provision for lease impairment** are forecast to increase from \$833k in FY16 to \$1,131k in FY17 driven by the growing net receivables over the period.
- **Depreciation and amortisation** are expected to increase from \$14k in FY16 to \$76k in FY17. The increase is the result of the commencement of depreciation of the capital investments in system developments.
- **Registration costs** are forecast to increase from \$271k in FY16 to \$625k in FY17 due to the growth in net receivables.
- **General administration and marketing expenses** are forecast to increase from \$1,543k in FY16 to \$2,838k in FY17. This is primarily attributed due to general and administration expense growth associated with the increase in net receivables, such as legal and professional fees, as well as increased rent expense due to assumed relocation of the Melbourne office and establishment of a Sydney office.

### Net Profit After Tax

NPAT is forecast to increase from \$1.1m in FY16 to \$3.2m in FY17 due to the above movements which are partially offset by an associated \$0.9m increase in tax expense. NPAT margin increased from 13% in FY16 to 18% in FY17 as the Company continues to scale its cost base.



### 6.7.5 Pro Forma Forecast Cash Flow and Pro Forma Historical Cash Flows for FY17 compared to FY16

**TABLE 6.15: PRO FORMA HISTORICAL CASH FLOWS AND PRO FORMA FORECAST CASH FLOWS FOR FY17 COMPARED TO FY16**

Pro Forma Historical and Forecast Cash Flows				
A\$'000s	FY16	FY17	Change	% Change
<b>NPAT</b>	<b>1,061</b>	<b>3,164</b>	<b>2,103</b>	<b>198%</b>
<b>Cash Flow from Operating Activities:</b>				
Depreciation and amortisation	14	76	62	443%
Net (gain)/loss on sale of non-current assets	(63)	(15)	48	(76%)
Changes in tax payable and deferred tax liabilities	381	1,071	690	181%
Changes in payables and provisions	681	625	(56)	(8%)
Changes in trade & other receivables	(37,119)	(48,524)	(11,404)	(31%)
<b>Net Cash Flow from Operating Activities</b>	<b>(35,046)</b>	<b>(43,604)</b>	<b>(8,558)</b>	<b>(24%)</b>
<b>Cash Flow from Investing Activities:</b>				
Payments for PP&E and Intangibles	(257)	(316)	(59)	(23%)
Proceeds from the sale of PP&E	135	-	(135)	(100%)
Proceeds from Related Party Loans	750	-	(750)	(100%)
<b>Net Cash Flow from Investing Activities</b>	<b>628</b>	<b>(316)</b>	<b>(944)</b>	<b>(150%)</b>
<b>Cash Flow from Financing Activities:</b>				
Proceeds from issues of shares	500	-	(500)	(100%)
Proceeds from pre-IPO Equity Raise	-	3,490	3,490	N.A.
Proceeds from debt net of repayments	14,300	14,382	82	1%
Proceeds from Corporate Note	19,239	19,230	(9)	(0%)
Proceeds from the Offer	-	10,000	10,000	N.A.
Less: Costs from the Offer	-	(1,003)	(1,003)	N.A.
<b>Net Cash Flow from Financing Activities</b>	<b>34,039</b>	<b>46,099</b>	<b>12,060</b>	<b>35%</b>
<b>Net cash flow</b>	<b>(379)</b>	<b>2,179</b>	<b>2,558</b>	<b>675%</b>

Net cash flow increases \$2.6m from (\$0.4m) in FY16 to \$2.2m in FY17 due to:

- Operating cash outflow increasing by \$8.6m, the result of an increase in payments for trade & other receivables of \$11.4m partially offset by an increase in NPAT of \$2.1m and a cash flow benefit from an increase in tax expense and deferred tax liabilities;
- Investing activities cash flows are forecast to decrease \$0.9m as related party loans of \$0.8m in FY16 are not repeated, an increase in payments for PP&E and Intangibles of \$0.1m in relation to office equipment as well as \$0.1m of proceeds from the sale of PP&E in FY16 not being repeated; and
- Financing activities cash flows are forecast to increase \$12.0m the result of the proceeds from the pre-IPO equity raise of \$3.5m, \$0.1m net proceeds from the Senior Corporate Debt Facility, whilst

proceeds from the issue of a Corporate Bond remains steady due to the issue of a second tranche and net proceeds from the Offer of \$9.0m.

## 6.8 Sensitivity analysis

The Forecast Financial Information is based on a number of estimates and assumptions that are subject to business, economic and competitive uncertainties and contingencies, many of which are beyond the control of Axsesstoday, its Directors and management, and upon assumptions with respect to future business decisions, which are subject to change.

Set out below is a summary of the sensitivity of the FY17 pro forma forecast NPAT to changes in a number of key assumptions. The changes in the key variables are set out in the sensitivity analysis and are not intended to be indicative of the complete range of variations that may be experienced.

**TABLE 6.16: SENSITIVITY ANALYSIS ON PRO FORMA FORECAST NPAT FOR FY17**

A\$'000s	Notes	Increase / Decrease	NPAT Impact +/-	
Interest rate movement	(1)	+/- 50 basis points	(88)	88
Credit loss rate	(2)	+/- 50 basis points	(24)	24
Lease impairment provision	(3)	+/- 50 basis points	(335)	335
Average pricing of Equipment Financing receivables	(4)	+/- 200 basis points	209	(212)
Fluctuation in new Equipment Financing receivables written	(5)	+/- 10%	155	(155)

**Notes:**

1. Impact of the increase or decrease in the average interest expense on the Senior Corporate Debt Facility and Corporate Notes.
2. Impact of a 50 basis point increase or decrease in the proportion of impaired receivables written off during the period. The forecast assumes that a 50 basis point increase in the proportion of impaired receivables would continue to be less than the 2.5% used to calculate the provision for lease impairment reflected in the Pro Forma Forecast Results. Unless the credit loss rate is greater than the 2.5% provision there would not be a NPAT impact. This sensitivity also includes the NPAT impact of lower Equipment Financing receivables as a result of +/- 50 basis point change in the credit loss rate.
3. Impact of a 50 basis point increase or decrease in the lease impairment provision (calculated based on total net receivables).
4. Impact of a 200 basis point increase or decrease in the average pricing of Equipment Financing receivables written during FY17. This sensitivity does not reflect any changes in pricing of the historical-book as historical Equipment Financing Receivables are contractually secured.
5. Impact of a 10% increase or decrease in the value of new receivables written in FY17.



Axesstoday has undertaken a review on the potential effect from early repayment of loans. Historically, Axesstoday has had 58 early repayments of receivables during FY16 which resulted in an increase in net profit before tax of \$50k. As a number of subjective variables can affect the financial impact of early repayments, a reliable sensitivity cannot be calculated by Management. Based on historical performance however, Management believes the impact on the forecast NPAT will be immaterial in FY17.

The Forecast Financial Information has been prepared on the assumption that the Subscription Amount of \$10m, which is not underwritten, is obtained. To the extent the Subscription Amount is not obtained this would represent a significant sensitivity to the achievement of the Forecast Financial Information.

Care should be taken in interpreting these sensitivities. The estimated impact of changes in each of the variables has been calculated in isolation from changes in other variables to illustrate the likely impact on the FY17 Forecast. In practice, changes in variables may offset each other or be additive, and it is likely that Management would take further measures in response to any adverse change in one variable to minimise the net effect on the Groups' NPAT.

## 6.9 Dividend policy

The payment of a dividend by Axesstoday 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 the 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 the Company, and any other factors the Directors may consider relevant.

It is the current intention of the Board to target a dividend payout ratio of approximately 50% of Axesstoday's distributable profits. The Axesstoday Board will review this policy as appropriate and the declaration and amounts of any dividends are at the sole discretion of the Axesstoday Board. In making a decision concerning dividends, the Axesstoday Board will take into account Axesstoday's distributed profits for the period, future capital requirements and other relevant factors such as the outlook for the Group.



## 7. Board, management and governance

### 7.1 Board of Directors

At the date of listing (**Listing Date**) the Board will comprise five members, consisting of the Managing Director, two independent, Non-executive Directors and two non-independent Non-executive Director who are significant shareholders in the Company, and are therefore not considered independent.

The Board have a broad experience base covering industry and business knowledge, financial management and corporate governance experience. The Board is well positioned to implement Axsesstoday's strategic objectives. The following table provides information regarding the Directors, including their date of appointment and positions.

Name	Appointment date	Position	Independence <sup>1</sup>
Peter Ferizis	11 December 2014	Managing Director Executive Director	Non-Independent
Kerry Daly	19 October 2016	Chairman Non-Executive Director	Independent
Yaniv Meydan	11 December 2014	Non-Executive Director	Non-Independent
Michael Sack	11 December 2014	Non-Executive Director	Non-Independent
Matthew Reynolds	Effective on the Listing Date	Proposed Non- Executive Director	Independent

**Note:**

1. Axsesstoday considers that a Director is an independent director where that Director is free from any business or other relationship that could materially interfere, or be perceived to interfere with, the independent exercise of the Director's judgement. Axsesstoday has also assessed the independence of its Directors regarding the requirements for independence which are set out in Principle 2 of the ASX Corporate Governance Principles.

## 7.2 Details of Directors and Proposed Director

Details of each of the Directors are set out below.



**Peter Ferizis**

Role	Managing Director Executive Director
Expertise	<p>Peter has over 15 years experience in institutional and investment banking roles with specific focus on commercial credit, lending and equity investments across a variety of sectors, including hospitality and transport segments. Previously at Westpac Institutional Bank followed by an Investment Bank and niche Investment firm. Peter assisted in establishing a consumer finance business and was exposed to numerous commercial finance businesses across a variety of asset classes.</p> <p>Peter holds Bachelor of Commerce, Masters in Applied Finance, Masters in Accounting, and Graduate diploma in applied finance and investment.</p>
Independence or affiliations	Peter is not independent. Peter controls Nahta Pty Ltd ACN 615 547 138 ATF The Sira Trust an Existing Shareholder.
Interests in Shares	Peter holds an interest in Shares and Performance Shares of Axsesstoday as detailed in Section 7.3 (Interests of Directors and remuneration).
Legal or disciplinary action	Nil
Insolvent companies	Nil



**Kerry Daly**

Role	Chairman Non-executive Director
Expertise	<p>Kerry has been an ASX Company Director continuously since 1992.</p> <p>Kerry was MD of The Rock Building Society Limited where he was responsible for its demutualisation and ASX listing. He also served as Executive Director of Grange Securities Limited and is current Non-Executive Director of Collection House Limited, Trustees Australia Limited and former Chairman Tamawood Limited. Kerry brings a wealth of experience in IPO and structured debt raisings, securitisation and subordinated debt financing.</p> <p>Kerry is a Certified Practicing Accountant and holds a Bachelor of Business (Accountancy).</p>
Independence or affiliations	Kerry has no affiliations to Axsesstoday. Kerry is deemed to be an independent director.
Interests in Shares	Kerry has no interest in any Shares or Performance Shares of Axsesstoday.
Legal or disciplinary action	Nil
Insolvent companies	Nil

**Yaniv Meydan**

Role	Non-executive Director
Expertise	Yaniv is the CEO of the Meydan Group since 2004. He is responsible for the Meydan Group's worldwide operations in particular the Group's financial interests. Yaniv has extensive experience in structured and property finance. Yaniv was integrally involved in the establishment of an innovative consumer finance business. Yaniv has a key role in the strategic direction and senior management of all of the Meydan Groups finance, operational and new business activities within Australia and International markets. Yaniv holds a Bachelor of Commerce from Monash University.
Independence or affiliations	Yaniv is not independent. Yaniv controls Program Force Pty Ltd ACN 074 617 824 ATF Meydan Family Trust No, an Existing Shareholder.
Interests in Shares	Yaniv holds an interest in Shares and Performance Shares of Axsesstoday as detailed in Section 7.3 (Interests of Directors and remuneration).
Legal or disciplinary action	Nil
Insolvent companies	Nil

**Michael Sack**

Role	Non-executive Director
Expertise	<p>Michael has over 25 years financial services experience including 10 years in an Investment Bank heading up the leverage finance unit focused on providing structured debt solutions to businesses.</p> <p>Michael was previously the Senior Manager and Head of Pretoria for Mercantile Bank (South Africa) and later became Head of Mercantile Asset Management and Mercantile Trust Company (South Africa). Following this Michael was the Head of ANZ Private Bank Victoria. Michael holds Bachelor of Commerce (Honours), Higher Diploma in Banking and qualified as a Chartered Accountant.</p>
Independence or affiliations	Michael is not independent. Michael controls MRGS Pty Ltd ACN 141 883 481 ATF SAF Trust, an Existing Shareholder.
Interests in Shares	Michael holds an interest in Shares and Performance Shares of Axsesstoday as detailed in Section 7.3 (Interests of Directors and remuneration).
Legal or disciplinary action	Nil
Insolvent companies	Nil





**Matthew Reynolds**

Role	Non-executive Director
Expertise	<p>Matthew Reynolds is a Partner of HWL Ebsworth Lawyers. He advises clients across all industries including in particular the energy and resources, technology, retail services, and the construction and infrastructure sectors.</p> <p>Matthew currently occupies several Board roles relevant to the sectors in which he provides legal services. He is a non-executive director of G8 Education Limited, Ignite Energy Resources Limited and a non-executive director of three financing subsidiaries of Thai listed Minor International PLC. Matthew is also a proposed director of BUBS Australia Limited. Matthew holds a Bachelor Political Science &amp; Economics (Hons), Bachelor of Laws (Hons) and has been awarded an Australia Day Award for excellence in client service.</p>
Independence or affiliations	<p>Matthew is a Partner at HWL Ebsworth Lawyers, the legal advisor to the Offer.</p> <p>Notwithstanding Matthew's partnership at HWL Ebsworth Lawyers, the Board is of the view that such position will not interfere, or reasonably be seen to interfere, with Matthew's capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of Axesstoday and its security holders generally. As such, Matthew is deemed to be an independent director.</p>
Interests in Shares	Matthew has no interest in any Shares or Performance Shares of Axesstoday.
Legal or disciplinary action	Nil
Insolvent companies	Nil

The composition of the Board committee and details of its key corporate governance policies are set out in the following Sections. Each Director and Proposed Director detailed above has confirmed to Axesstoday that they anticipate being able to perform their duties as a Non-executive Director or Executive Director of Axesstoday, as the case may be, without constraint from other commitments.

The Board has considered Axesstoday's immediate requirements as it transitions to an ASX listed company and is satisfied that the composition of the Board represents an appropriate range of experience, qualifications and skills.





### 7.3 Interests of Directors and remuneration

Other than as set out below or elsewhere in the Prospectus, no Director or Proposed Director:

- has or had at any time during the two years preceding the date of this Prospectus an interest in the formation or promotion of Axsesstoday, or in any property acquired or proposed to be acquired by Axsesstoday or in the Offer; and
- has been paid or agreed to be paid any amount, or has been given or agreed to be given any other benefit, either

to induce him to become, or to qualify him as, a Director or Proposed Director or otherwise for services rendered by him in connection with the formation or promotion of Axsesstoday or the Offer.

#### ***Executive and Non-Executive Directors' fees and remuneration***

Below is a table detailing the amount of remuneration each Director and Proposed Director of Axsesstoday is entitled to receive per annum at the date of this Prospectus.

The fees and remuneration paid by Axsesstoday to its Non-Executive Directors (including the Proposed Director) reflects the Non-Executive Director compensation package adopted by the Board on 19 October 2016.

NAME	POSITION	AMOUNT per annum	OTHER COMPENSATION (including options and Employee Performance Rights <sup>1</sup> )
Peter Ferizis	Executive Director	\$285,000 (excluding superannuation)	Nil
Yaniv Meydan	Non-Executive Director	Nil	Nil
Michael Sack	Non-Executive Director	Nil	Nil
Kerry Daly	Non-Executive Director	A\$35,000	Nil
Matthew Reynolds	Non-Executive Director	A\$25,000	Nil

#### ***Notes:***

1. Directors may be eligible to receive Employee Performance Rights under the Employee Performance Rights Plan post the Listing Date. Any issue of Employee Performance Rights will require pre-approval under ASX Listing Rule 10.13. Refer to Section 11.5 (The Employee Performance Rights Plan).

Each Executive and Non-Executive Director is also entitled to be reimbursed for reasonable travel and other expenses incurred in connection with attending meetings of the Board and any committee on which he or she serves.

Refer to Section 10 (Material Contracts) for a summary of the Executive Services Agreement of Peter Ferizis and Letters of Appointment of Kerry Daly, Yaniv Meydan, Michael Sack and Matthew Reynolds.

#### ***Directors' interests in securities***

The table below sets out the interests of the Directors (and the Proposed Director) as at the date of this Prospectus and their percentage interest in Axsesstoday assuming the Subscription Amount and is raised.

DIRECTOR	NUMBER OF SHARES AND PER-FORMANCE SHARES (at date of this Prospectus)	NUMBER OF SHARES AND PER-FORMANCE SHARES (at the Listing Date <sup>1</sup> )	% OF ISSUED SHARES (at the Listing Date)	NUMBER OF SHARES HELD (assuming all Performance Shares are converted into Shares)	% OF ISSUED SHARES (assuming Performance Shares are converted into Shares)
Peter Ferizis <sup>2</sup>	4,026,536 Shares	4,026,536 Shares	10.7%	5,916,247 Shares	11.7%
	1,889,711 Performance Shares	1,889,711 Performance Shares	N/A	N/A	N/A
Yaniv Meydan <sup>3</sup>	11,425,246 Shares	11,425,246 Shares	30.3%	16,787,275 Shares	33.1%
	5,362,029 Performance Shares	5,362,029 Performance Shares	N/A	N/A	N/A
Michael Sack <sup>4</sup>	4,026,536 Shares	4,026,536 Shares	10.7%	5,916,247 Shares	11.7%
	1,889,711 Performance Shares	1,889,711 Performance Shares	N/A	N/A	N/A
Kerry Daly <sup>5</sup>	Nil Shares	100,000	0.3%	Nil	0.2%
	Nil Performance Shares	Nil Performance Shares	N/A	N/A	N/A
Matthew Reynolds (Proposed Director)	Nil Shares	Nil Shares	0%	Nil	0%
	Nil Performance Shares	Nil Performance Shares	N/A	N/A	N/A

**Notes:**

1. The Directors and Proposed Director may subscribe for additional Shares under the Offer.
2. Peter Ferizis holds his Shares indirectly through Nahta Pty Ltd ACN 615 547 138 ATF The Sira Trust.
3. Yaniv Meydan holds his Shares indirectly through Program Force Pty Ltd ACN 074 617 824 ATF Meydan Family Trust No 4.
4. Michael Sack holds his Shares indirectly through MRGS Pty Ltd ACN 141 883 481 ATF SAF Trust.
5. Kerry Daly may acquire these Shares under the Offer either directly or indirectly.

**Directors insurance**

As at the date of this Prospectus, Axsesstoday is in a process of obtaining director and officer liability insurance to cover liabilities Directors and officers may incur in connection with their services to Axsesstoday. This insurance will be in place before the Offer opens. The Corporations Act also provides that a company may indemnify its directors against the costs incurred by them in defending any proceedings, civil or criminal, in which judgment is given in their favour or in which they are acquitted. Axsesstoday's Constitution has made provision for such an indemnity further detail on director indemnification is provided in Section 11.3.

## 7.4 Details of management

Axesstoday has a team of over 30 employees, of this number 11 are highly experienced managers in operations, origination, credit risk, collections and marketing.

Details of key executive management team members are set out below.

EXECUTIVE	EXPERTISE, EXPERIENCE AND QUALIFICATIONS
<b>Peter Ferizis</b> Managing Director	Refer to the table in Section 7.2 (Details of Directors).
<b>Ashley Hasforth</b> Chief Financial Officer	<p>Ashley is a professionally qualified Executive with over 16 years of experience in financial, operational and risk roles covering, a Big Four Accounting Firm in Australia, and 10 years experience in Asia within Investment Banking and senior finance positions. Prior to joining Axesstoday, Ashley was CFO for a Caterpillar Dealer in Asia where he was responsible for Finance, IT, Legal, HR and Central Services. Previously he was a COO at Barclays Capital, responsible for the build-out of the cash equity platform including implementing corporate governance, IT build-out, strategic planning and reporting. During his time within investment banking he also had 4 years of risk management experience. In his career he has had positions of Company Secretary.</p> <p>Ashley is a Chartered Accountant and holds a Bachelor of Commerce from the University of Melbourne.</p>
<b>Olga Colyvas</b> Chief Operations Officer	<p>Olga commenced her career with Deloitte &amp; Touche in South Africa and was seconded to the United States. From Deloitte &amp; Touche, Olga moved into banking within Treasury at Rand Merchant Bank (part of the wider FirstRand Group), before moving to England which offered her experience in the Credit and Market Risk division at Credit Suisse First Boston.</p> <p>Upon returning to South Africa, Olga spent four years at Investec starting within the Foreign Exchange arena, then moving into analysing structured Securitisation deals. Olga was appointed as COO of Axesstoday where she is primarily in charge of the key daily operations of the company, strategic planning and management.</p> <p>Olga is a Chartered Accountant and holds a Bachelor of Accounting Science from the University of Johannesburg.</p>
<b>Sandro Cirrito</b> Chief Risk Officer	<p>Sandro was appointed Chief Risk Officer in February 2016. In this role, Sandro provides leadership in ensuring that effective risk management and risk governance frameworks are in place across the organisation.</p> <p>Prior to joining the business, Sandro spent time consulting on Risk, CRM and Fraud frameworks across various financial services companies including Axesstoday and has held Head of Risk and senior management roles at Flexigroup, GE and NAB. Sandro has extensive knowledge of the Financial Services and Superannuation industry with over 28 years experience, in which he has refined his capabilities and understanding of the different legislative regimes in Australia, New Zealand and Ireland and brings a wealth of knowledge in all the different facets of organisational risk.</p> <p>Sandro holds a Bachelor of Applied Science from RMIT University and a Graduate Diploma in Education from the University of Melbourne and chaired the Risk Management Round Table from 2006 to 2009.</p>

## 7.5 Corporate governance

This part of the Prospectus explains how the Board oversees the management of Axsesstoday's business. The Board is responsible for the overall corporate governance of Axsesstoday, including establishing and monitoring key performance goals. The Board monitors the operational and financial position and performance of Axsesstoday and oversees its business strategy, including approving the strategic goals of Axsesstoday and considering and approving an annual business plan (including a budget).

The Board is committed to maximising performance, generating appropriate levels of Shareholder value and financial return and sustaining the growth and success of Axsesstoday. In conducting Axsesstoday's business with these objectives, the Board seeks to ensure that Axsesstoday is properly managed to protect and enhance Shareholder interests, and that Axsesstoday and its Directors, officers and personnel operate in an appropriate environment of corporate governance. Accordingly, the Board has created a framework for managing Axsesstoday, including adopting relevant internal controls, risk management processes and corporate governance policies and practices which it believes are appropriate for Axsesstoday business and which are designed to promote the responsible management and conduct of Axsesstoday.

The ASX Corporate Governance Council has developed and released its third edition of the ASX Corporate Governance Principles and Recommendations for Australian listed entities in order to promote investor confidence and to assist companies in meeting stakeholder expectations. The ASX Corporate Governance Principles and Recommendations are not prescriptions, but guidelines.

Under the ASX Listing Rules, Axsesstoday will be required to provide a statement in its annual report disclosing the extent to which it has followed the ASX Corporate Governance Principles and Recommendations in the reporting period. Where Axsesstoday does not follow a recommendation, it must identify the recommendation that has not been followed and provide reasons for not following it. A table is provided below in this Section 7.5 setting out a brief summary of the approach currently adopted by Axsesstoday in relation to the ASX Corporate Governance Principles and Recommendations.

## Board

### *Composition of the Board*

The Board is comprised of four Non-Executive Directors, including the Chairman, and one Executive Director. Detailed biographies of the Directors are provided in Section 7.2 (Details of Directors).

Each Director has confirmed to Axsesstoday that he anticipates being available to perform his duties as a Non-Executive Director or Executive Director as the case may be, without constraint from other commitments.

### *Independence of the Board*

The Board is responsible for the overall governance of Axsesstoday. Issues of substance affecting Axsesstoday are considered by the Board, with advice from external advisers as required. Each Director must bring an independent view and judgement to the Board and must declare all actual or potential conflicts of interest on an ongoing basis. Any issue concerning a Director's ability to properly act as a Director must be discussed at a Board meeting as soon as practicable, and a Director may not participate in discussions or resolutions pertaining to any matter in which the Director has a material personal interest.

In accordance with the Board Charter, it is intended that in the future the Board will be comprised of a majority of independent directors. The Board considers an independent Director to be a Non-Executive Director who is not a member of management and who is free of any business or other relationship that could materially interfere with or reasonably be perceived to interfere with the independent and unfettered exercise of their judgement. The Board has adopted a definition of independence that is based on the definition set out in the ASX Corporate Governance Principles and Recommendations. The Board will consider the materiality of any given relationship on a case-by-case basis. The Board assesses independence of directors upon appointment and annually through attestation from each director.

The Board considers that each of Kerry Daly and Matthew Reynolds are free from any interest, position, association or relationship that may influence or reasonably be perceived to influence, the independent exercise of the Director's judgement and that each of them is able to fulfil the role of independent Director for the purpose of the ASX Corporate Governance Principles and Recommendations.

Peter Ferizis is considered by the Board not to be independent on the basis that Peter Ferizis is the Managing Director of Axesstoday and the controller of Nahta Pty Ltd ACN 615 547 138 ATF The Sira Trust, a significant shareholder. Yaniv Meydan is also considered by the Board not to be independent on the basis that Yaniv Meydan is the controller of Program Force Pty Ltd ACN 074 617 824 ATF Meydan Family Trust No 4, a significant Shareholder. Michael Sack is also considered by the Board not to be independent on the basis that Michael Sack is the controller of MRGS Pty Ltd ACN 141 883 481 ATF SAF Trust, also a significant Shareholders.

Accordingly as at the Listing Date, the Board will not consist of a majority of independent Directors consistent with Recommendation 2.4 of the ASX Corporate Governance Principles and Recommendations. The full board determines the size and composition of the Board, subject to the limits imposed by the Axesstoday constitution. The Board considers that Axesstoday is not currently of a size, nor are its affairs of such complexity to justify the expense of the appointment of a majority of independent non-executive directors. Axesstoday will seek to appoint additional independent Directors in the future following its review of the Board structure to address the lack of independence of its Directors

### **Board Charter**

The responsibilities of the Board are set out in Axesstoday's Board Charter, which has been prepared having regard to the ASX Corporate Governance Principles and Recommendation. A copy of Axesstoday's Board Charter is available on Axesstoday's website at [www.axesstodaylimited.com.au](http://www.axesstodaylimited.com.au).

### **Board's role in risk oversight**

The Board's role in risk oversight includes receiving reports from management and the Audit and Risk Management Committee on a regular basis regarding material risks faced by Axesstoday and applicable mitigation strategies and activities. Those reports detail the effectiveness of the risk management program and identify and address material business risks such as technological, strategic, business, operational, financial, human resources and legal/regulatory risks. The Board and the committee consider these reports, discuss matters with management and identify and evaluate any potential strategic or operational risks including appropriate activity to address those risks.

### **Board committee**

The Board has established one standing committee to facilitate and assist the Board in fulfilling its responsibilities as set out below. The Board may also establish other committees from time to time to assist in the discharge of its responsibilities.

The committee has the responsibilities described in the committee charter, set out in the Corporate Governance Plan.

COMMITTEE	OVERVIEW	MEMBERS
<b>Audit and Risk Management Committee</b>	<p>The Audit and Risk Management Committee is responsible for monitoring and advising the Board on Axesstoday's risk management, audit and regulatory compliance policies and procedures.</p> <p>Key roles of this committee include:</p> <ul style="list-style-type: none"> <li>• exercising oversight over the compliance of the financial statements with the requirements of the Corporations Act and any other mandatory professional reporting requirements, including making informed decisions regarding accounting and regulatory policies, practice and disclosures;</li> <li>• reviewing the scope and results of internal and external audit reviews;</li> <li>• assessing the effectiveness of Axesstoday's internal controls; and</li> <li>• assessing the effectiveness of Axesstoday's risk management framework.</li> </ul>	<p>Matthew Reynolds (Chairman) (on and from the Listing Date)</p> <p>Kerry Daly</p> <p>Michael Sack</p>



**Corporate governance policies and charters**

Aksesstoday has also adopted the following policies and charters. Each of these policies and charters are set out in the Corporate Governance Plan adopted by the Board on 11 November 2016 and has been prepared having regard to the ASX Corporate Governance Principles. The Corporate Governance Plan is incorporated by reference into this Prospectus.

<b>POLICY &amp; CHARTERS</b>	<b>DETAIL</b>
<b>The Board Charter</b>	This charter sets out the principles for the operation of the Board and the functions and responsibilities of the Board and management of Aksesstoday.  This charter also provides for the Board to delegate to the Executive Director, who is responsible for day to day management of the business.
<b>Code of Conduct</b>	This policy sets out the standards of ethical behaviour that Aksesstoday expects from its directors, officers and employees.
<b>Securities Trading Policy</b>	This policy is designed to maintain investor confidence in the integrity of Aksesstoday's internal controls and procedures and to provide guidance on avoiding any breach of the insider trading laws in Australia.
<b>Audit and Risk Management Committee Charter</b>	This charter sets out the principles for the operation of the Audit and Risk Management Committee. Detail on the Audit and Risk Management Committee is contained in the table above.
<b>Continuous Disclosure Policy and Communications Strategy</b>	Once listed on ASX, Aksesstoday will comply with the continuous disclosure requirements of the Listing Rules and the Corporations Act to ensure Aksesstoday discloses to ASX any information concerning Aksesstoday which is not generally available and which a reasonable person would expect to have a material effect on the price or value of the Shares.  This policy sets out certain procedures and measures which are designed to ensure that Aksesstoday complies with its continuous disclosure obligations.  This policy also sets out practices which Aksesstoday will implement to ensure effective communication with its Shareholders.
<b>Diversity Policy</b>	This policy sets out practices which Aksesstoday will implement to establish measurable objectives for achieving gender diversity.

**Policy for approval of related party transactions**

Aksesstoday's Audit and Risk Management Committee is responsible for reviewing and approving all transactions in which Aksesstoday is a participant and in which any parties related to Aksesstoday, including its executive officers, Directors, beneficial owners of more than 5% of Aksesstoday's Shares, immediate family members of the foregoing persons and any other persons whom the Board determines may be considered related parties of Aksesstoday, has or will have a direct or indirect material interest.

The Audit and Risk Management Committee or its chairman, as the case may be, will only approve those related party transactions that are determined to be in, or are not inconsistent with, the best interests of Aksesstoday and its Shareholders, after taking into account all available facts and circumstances as the Audit and Risk Management Committee or its chairman determines in good faith to be necessary.

Transactions with related parties will also be subject to Shareholder approval to the extent required by the Corporations Act and the Listing Rules.



**ASX Corporate Governance Principles**

The Board has evaluated Axesstoday's current corporate governance policies and practices in light of the ASX Corporate Governance Principles.

The Board considers that Axesstoday generally complies with the ASX Corporate Governance Principles and, where Axesstoday does not comply, this is primarily due to the current relative size of Axesstoday and scale of its current operations. Comments on compliance and departures are set out below.

Axesstoday acknowledges that it is required to provide a statement in future annual reports disclosing the extent to which Axesstoday has followed the ASX Corporate Governance Principles.

**PRINCIPLES/  
RECOMMENDATIONS****DOES  
AXSESSTODAY  
COMPLY?****PARTICULARS OF COMPLIANCE & IF NOT  
WHY NOT****Principle 1 – Lay solid foundations for management and oversight****Recommendation 1.1:**

Complies

Companies should disclose:

- the respective roles and responsibilities of its board and management; and
- those matters expressly reserved to the board and those delegated to management.

The Board's responsibilities are set out in Axesstoday's Board Charter. Axesstoday's Board Charter is set out in the Corporate Governance Plan.

The functions of the Board and Chairman and matters expressly reserved for them are specifically set out in the Board Charter. The matters expressly delegated to management are also detailed in the Board Charter.

**Recommendation 1.2:**

Complies

Companies should:

- undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and
- provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.

The Board's responsibilities in relation to director appointments are set out in Axesstoday's Board Charter. Axesstoday's Board Charter is set out in the Corporate Governance Plan. Appropriate checks, including bankruptcy checks and police checks are part of the listing process.

Axesstoday will provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director at each Annual General Meeting of Axesstoday when a director stands for election or re-election in accordance with the rotation requirements of the ASX Listing Rules.

**Recommendation 1.3:**

Complies

Companies should have a written agreement with each director and senior executive setting out the terms of their appointment.

Axesstoday has entered into such agreements with each Director and senior executive.

**Recommendation 1.4:**

Complies

The Company Secretary must be directly accountable to the Board, through the chair on all matters to do with the proper functioning of the board.

The Company Secretary is accountable to the Board.

PRINCIPLES/ RECOMMENDATIONS	DOES AXSESSTODAY COMPLY?	PARTICULARS OF COMPLIANCE & IF NOT WHY NOT
<p><b>Recommendation 1.5:</b></p> <p>Companies should:</p> <ul style="list-style-type: none"> <li>• have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them;</li> <li>• disclose that policy or a summary of it; and</li> <li>• disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them.</li> </ul>	Complies	The Board has established a Diversity Policy. The Diversity Policy is set out in the Corporate Governance Plan. Disclosure of the measurable objectives will be provided in Axesstoday's annual report.
<p><b>Recommendation 1.6:</b></p> <p>Companies should:</p> <ul style="list-style-type: none"> <li>• have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</li> <li>• disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</li> </ul>	Complies	The Board has established these processes. Further information will be provided in Axesstoday's annual report.
<p><b>Recommendation 1.7:</b></p> <p>Companies should:</p> <ul style="list-style-type: none"> <li>• have and disclose a process for periodically evaluating the performance of its senior executives; and</li> <li>• disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</li> </ul>	Complies	The Board has established these processes. Further information will be provided in Axesstoday's annual report.

PRINCIPLES/ RECOMMENDATIONS	DOES AXSESSTODAY COMPLY?	PARTICULARS OF COMPLIANCE & IF NOT WHY NOT
<b>Principle 2 – Structure the board to add value</b>		
<p><b>Recommendation 2.1:</b></p> <p>The board should establish a nomination committee which</p> <ul style="list-style-type: none"> <li>• consists of a majority of independent directors;</li> <li>• is chaired by an independent director; and</li> <li>• has at least three members.</li> </ul> <p>The board must disclose the charter of the committee, the members of the committee, the number of times the committee has met throughout a reporting period and the individual attendances of the members at those meetings.</p>	Does not comply	<p>The Board considers that Axesstoday is not currently of a size, nor are its affairs of such complexity to justify the expense of a nomination committee at this stage.</p> <p>Axesstoday will reconsider the need for a nomination committee on an annual basis and provide detail of its deliberations in Axesstoday's annual report.</p>
<p><b>Recommendation 2.2:</b></p> <p>Companies should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.</p>	Will comply	<p>Post Listing, the Board will complete and maintain a Board Skills Matrix. The Axesstoday Board Skills Matrix will be set out in the Board Charter contained in the Corporate Governance Plan.</p>
<p><b>Recommendation 2.3:</b></p> <p>Companies should disclose:</p> <ul style="list-style-type: none"> <li>• the names of the directors considered by the board to be independent directors;</li> <li>• if a director has an interest, position, association or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and</li> <li>• the length of service of each director.</li> </ul>	Complies	<p>This information has been provided in the Prospectus. Axesstoday will disclose the information set out in Recommendation 2.3 in future annual reports.</p>

PRINCIPLES/ RECOMMENDATIONS	DOES AXSESSTODAY COMPLY?	PARTICULARS OF COMPLIANCE & IF NOT WHY NOT
<b>Recommendation 2.4:</b>  A majority of the board should be independent directors.	Does not comply	<p>The full Board determines the size and composition of the Board, subject to limits imposed by Axesstoday's Constitution.</p> <p>Of the five directors, three are Non-Executive Directors but only two of the Non-Executive Directors are deemed by the Board to be independent. As such half of the Board is not independent.</p> <p>The Board considers that Axesstoday is not currently of a size, nor are its affairs of such complexity to justify the expense of the appointment of a majority of independent non-executive directors. Axesstoday will seek to appoint additional independent Directors in the future following its review of the Board structure to address the lack of independence of its Directors. Axesstoday will report on this item in its annual report.</p>
<b>Recommendation 2.5:</b>  The chair of the Board should be an independent director and should not be the same person as the Chief Executive Officer.	Complies	<p>The Chairman is considered independent under the ASX Corporate Governance Principles.</p> <p>The Chairman is not the Managing Director of Axesstoday.</p>
<b>Recommendation 2.6:</b>  Companies should have a program for inducting new directors and providing appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their roles as directors effectively.	Complies	<p>The directors that have been recently appointed to the board, namely Kerry Daly and Matthew Reynolds, have been provided with a formal letter of appointment setting out the key terms and conditions of appointment, including duties, rights, responsibilities and the Board's expectations regarding their involvement with committee work.</p> <p>A formal induction is provided to all new directors, including meetings with the Managing Director, Chairman and information on key corporate and Board policies, and visits to Axesstoday's operations.</p>

PRINCIPLES/ RECOMMENDATIONS	DOES AXSESSTODAY COMPLY?	PARTICULARS OF COMPLIANCE & IF NOT WHY NOT
<b>Principle 3 – Act ethically and responsibly</b>		
<b>Recommendation 3.1:</b> Companies should: <ul style="list-style-type: none"> <li>• establish a code of conduct for its directors, senior executives and employees; and</li> <li>• disclose the code or a summary of the code or a summary of it.</li> </ul>	Complies	<p>The Board has established a Code of Conduct, which is set out in the Corporate Governance Plan.</p> <p>The Code of Conduct provides that the Directors will act with honesty and integrity, will avoid conflicts of interest, protect confidential and proprietary information and treat others equitably and with professionalism courtesy and respect.</p>
<b>Principle 4 – Safeguard integrity in corporate reporting</b>		
<b>Recommendation 4.1:</b> The board should establish an audit committee which: <ul style="list-style-type: none"> <li>• consists of at least three members all of whom are non-executive directors, the majority of independent directors;</li> <li>• is chaired by an independent director who is not the chairman of the Board.</li> </ul> <p>The board must disclose the charter of the audit committee, the relevant qualifications and experience of the members of the committee and the number of times the committee has met during a reporting period and the individual attendances of the members at those meetings.</p>	Complies	<p>The Board has established an Audit and Risk Management Committee.</p> <p>The function of the Audit and Risk Management Committee is set out in the Audit and Risk Management Committee Charter. Axesstoday's Audit and Risk Management Committee Charter is set out in the Corporate Governance Plan.</p> <p>The Audit and Risk Management Committee is chaired by Matthew Reynolds, an independent director who is not chairman of the Board.</p> <p>The Audit and Risk Management Committee consists of three members. Of these members, two are independent Non-Executive Directors.</p> <p>Axesstoday has disclosed in this Prospectus the names and relevant qualifications and experience of the members of the Audit and Risk Management Committee.</p> <p>Axesstoday will disclose in its Annual Report details of the number of times the committee has met during a reporting period and the individual attendances of the members at those meetings.</p>
<b>Recommendation 4.2:</b> Before approving a company's financials, the Board must receive declarations from the Chief Executive Officer and Chief Financial Officer that in their opinion, the financial records of the entity 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.	Will comply	<p>Prior to approving the Annual Accounts and Half Yearly Accounts, the Board must receive the necessary declaration from the Managing Director and Chief Financial Officer.</p>

PRINCIPLES/ RECOMMENDATIONS	DOES AXSESSTODAY COMPLY?	PARTICULARS OF COMPLIANCE & IF NOT WHY NOT
<b>Recommendation 4.3:</b> Companies must ensure that its external auditor attends its Annual General Meeting and is available to answer questions from security holders relevant to the audit.	Will comply	Aksesstoday's auditor will attend its Annual General Meeting to answer questions.
<b>Principle 5 – Make timely and balanced disclosure</b>		
<b>Recommendation 5.1:</b> Companies should: <ul style="list-style-type: none"> <li>• have a written policy for complying with its continuous disclosure obligations under the ASX Listing Rules; and</li> <li>• disclose that policy or a summary of it.</li> </ul>	Complies	The Board has adopted a Continuous Disclosure Policy and Communications Strategy which is set out in the Corporate Governance Plan.  Aksesstoday respects the rights of its shareholders and facilitates the exercise of those rights, Aksesstoday is committed to communicating effectively with shareholders, providing shareholders with ready access to balanced and understandable information about Aksesstoday and corporate proposals and making it easier for shareholders to participate in general meetings of Aksesstoday.
<b>Principle 6 – Respect the rights of security holders</b>		
<b>Recommendation 6.1:</b> A listed entity should provide information about itself and its governance to investors via its website.	Complies	Aksesstoday has established on its website, <a href="http://www.aksessstodaylimited.com.au">www.aksessstodaylimited.com.au</a> a corporate governance landing page from where all relevant corporate governance material can be accessed.
<b>Recommendation 6.2:</b> Companies should design and implement an investor relations program to facilitate effective two-way communication with investors.	Will comply	Aksesstoday intends to establish an investor relations program.
<b>Recommendation 6.3:</b> Companies should disclose the policies it has in place to facilitate and encourage participation at meetings of shareholders.	Complies	The shareholders communication policy is set out in the Continuous Disclosure Policy and Communications Strategy set out in the Corporate Governance Plan and is designed to ensure that shareholders are informed of all relevant developments.  Aksesstoday intends to establish on its website a facility for all shareholder communications.
<b>Recommendation 6.4:</b> Companies should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	Will comply	Aksesstoday will give shareholders the option to receive communications from Aksesstoday electronically.

PRINCIPLES/ RECOMMENDATIONS	DOES AXSESSTODAY COMPLY?	PARTICULARS OF COMPLIANCE & IF NOT WHY NOT
<b>Principle 7 – Recognise and manage risk</b>		
<p><b>Recommendation 7.1:</b></p> <p>The board should establish a risk management committee which:</p> <ul style="list-style-type: none"> <li>• has at least 3 members, the majority of whom are independent directors;</li> <li>• is chaired by an independent director.</li> </ul> <p>The board must disclose the charter of the risk management committee, members of the risk management committee, the number of times the committee has met during a reporting period and the individual attendances of the members at those meetings</p>	Complies	<p>The Board has established an Audit and Risk Management Committee.</p> <p>The function of the Audit and Risk Management Committee is set out in the Audit and Risk Management Committee Charter. Axesstoday's Audit and Risk Management Committee Charter is set out in the Corporate Governance Plan.</p> <p>The Audit and Risk Management Committee is chaired by Matthew Reynolds, an independent director who is not chairman of the Board.</p> <p>The Audit and Risk Management Committee consists of three members. Of these members, two are independent Non-Executive Directors.</p> <p>Axesstoday has disclosed in this Prospectus the names and relevant qualifications and experience of the members of the Audit and Risk Management Committee.</p> <p>Axesstoday will disclose in its Annual Report details of the number of times the committee has met during a reporting period and the individual attendances of the members at those meetings.</p>
<p><b>Recommendation 7.2:</b></p> <p>The board should:</p> <ul style="list-style-type: none"> <li>• review the company's risk management framework at least annually; and</li> <li>• disclose whether such review has taken place.</li> </ul>	Will comply	<p>The Board will review the Risk Management Policy at least annually and disclose whether such a review has been undertaken.</p>
<p><b>Recommendation 7.3:</b></p> <p>Companies should disclose;</p> <ul style="list-style-type: none"> <li>• their internal audit function, how the function is structured and what role it performs; or</li> <li>• if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.</li> </ul>	Will comply	<p>Axesstoday will disclose its internal audit function.</p>



PRINCIPLES/ RECOMMENDATIONS	DOES AXSESSTODAY COMPLY?	PARTICULARS OF COMPLIANCE & IF NOT WHY NOT
<b>Recommendation 7.4:</b> Companies should disclose whether they have any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.	Complies	Material exposure to economic, environmental and social sustainability risks are disclosed in the Corporate Governance Plan and detailed in Section 8 (Risk factors).
<b>Principle 8 – Remunerate fairly and responsibly</b>		
<b>Recommendation 8.1:</b> The board should establish a remuneration committee which: <ul style="list-style-type: none"> <li>• have at least 3 members, the majority of whom are independent directors;</li> <li>• is chaired by an independent director.</li> </ul> The board must disclose the charter of the remuneration committee, members of the remuneration committee, the number of times the committee has met during a reporting period and the individual attendances of the members at those meetings.	Does not comply	The Board considers that Axesstoday is not currently of a size, nor are its affairs of such complexity to justify the expense of a remuneration committee at this stage.  Axesstoday will reconsider the need for a remuneration committee on an annual basis and provide detail of its deliberations in Axesstoday's annual report.
<b>Recommendation 8.2:</b> Companies should separately disclose its policies and practices regarding the remuneration of non-executive directors from that of executive directors and other senior executives.	Will comply	Axesstoday will distinguish the structure of Non-Executive Directors' remuneration from that of Executive Directors and senior executives in compliance with this recommendation in future annual reports.

PRINCIPLES/ RECOMMENDATIONS	DOES AXSESSTODAY COMPLY?	PARTICULARS OF COMPLIANCE & IF NOT WHY NOT
<p><b>Recommendation 8.3:</b></p> <p>Companies which have equity-based remuneration schemes should have and disclose a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme.</p>	Complies	<p>Aksesstoday's Securities Trading Policy prohibits key management personnel from:</p> <ul style="list-style-type: none"> <li>• dealing in financial products designed to track, hedge or in any other way take a position associated with the future value of Aksesstoday Shares, including options, warrants, futures or other financial products issued over Aksesstoday Shares by third parties such as banks and other institutions; and</li> <li>• entering into transactions in products associated with Aksesstoday Securities which operate to limit the economic risk of their shareholding in Aksesstoday (e.g. hedging arrangements).</li> </ul>

***Incorporation by reference and obtaining copies***

A copy of the Aksesstoday Corporate Governance Plan, which includes all of the corporate governance policies and the charter detailed above is incorporated by reference into this Prospectus and is available on Aksesstoday's website at [www.axsesstodaylimited.com.au](http://www.axsesstodaylimited.com.au) or by contacting Aksesstoday's Offer Information Line. Aksesstoday will also send you a free paper copy of its Corporate Governance Plan should you request a copy during the Offer Period.

**7.6 The Employee Performance Rights Plan**

On 11 November 2016 the Board adopted an Employee Performance Rights Plan. As at the date of this Prospectus, no Employee Performance Rights have been issued under the Employee Share Option Plan. Refer to Section 11.5 (Employee Performance Rights Plan) for a summary of the Employee Performance Rights Plan Rules.



## 8. Risk factors

### 8.1 Overview

An investment in Axsesstoday will be exposed to a number of risks.

Axsesstoday is subject to risk factors that are both specific to its business activities and others that are of a more general nature. Any single risk or a combination of these risks may have a material adverse impact on Axsesstoday's business, financial performance and operation. This Section 8 outlines some of the potential risks associated with Axsesstoday's business and an investment in its Shares; however it does not purport to list every risk that may be associated with an investment in Shares now or in the future.

The key risks are the risks that senior management and the Directors focus on when managing the business of the Axsesstoday Group and have the potential, if they occurred, to result in significant consequences for the Axsesstoday Group and an investment in it.

There are also risks that are common to all investments in shares and which are not specific to an investment in Axsesstoday; for example, the general volatility of share prices including as a result of general economic conditions (including monetary and fiscal policy settings as well as exchange and interest rates) in Australia and overseas and other events outside the usual course of the Axsesstoday Group's business such as acts of terrorism or war.

Investors should note that the occurrence or consequences of some of the risks described in this Section of the Prospectus are partially or completely outside the control of Axsesstoday, its Directors and senior management. Further, investors should note that this description focuses on the risks referred to above and does not purport to list every risk that Axsesstoday may have now or in the future. It is also important to note that there can be no guarantee that Axsesstoday will achieve its stated objectives or that any forward looking statements or forecasts contained in this Prospectus will be realised or otherwise eventuate. There is no guarantee or assurance that the importance of different risks will not change, other risks will not emerge, or the risk mitigating activities undertaken by Axsesstoday would be effective in reducing risks. You should note that past performance is not a reliable indicator of future performance.

Investors should satisfy themselves that they have a sufficient understanding of these matters, including the risks described in this Section of the Prospectus, and have regard to their own investment objectives, financial circumstances and taxation position before investing in Axsesstoday. If you do not understand any part of this Prospectus, or are in any doubt as to whether to invest in Shares or not, it is recommended that you seek professional guidance from your broker, solicitor, accountant or other independent and qualified professional advisor before deciding whether to invest.

### 8.2 Specific risks of an investment in Axsesstoday

#### 8.2.1 Loss of key referral relationships

Axsesstoday relies on a broad referral network to source new customers and business. There can be no guarantee that these relationships will continue or, if they do continue, that these relationships will continue to be successful. Axsesstoday's contracts (namely the Referral Services Agreements) with Retail Merchants can be terminated on short notice by either party.

There is a risk that, if Axsesstoday suffers reputational damage or its product ceases to be attractive to customers or referrers, members of the Axsesstoday Group's referral network may cease to refer business to Axsesstoday. If sufficient members did this, there could be a material impact on Axsesstoday's ability to generate new business to make up for natural customer churn. This could have a material adverse impact on Axsesstoday's business, operating and financial performance.

#### 8.2.2 Customers unable to meet their financial obligations

Axsesstoday is exposed to the risk that its customers do not meet their financial obligations to pay amounts owing under Lease and Chattel Mortgage agreements. Axsesstoday's profitability depends on its ability to limit credit losses on its receivables portfolio to acceptable levels. Axsesstoday relies on its systems and processes to make predominantly accurate decisions in connection with the end-customer credit approval process. A failure by Axsesstoday to adequately assess and manage customer credit risk may result in higher levels of credit losses and impairment expenses potentially resulting in a material adverse effect on Axsesstoday's business,

including potential losses and reduced access to funding. In the year to 30 June 2016, Axesstoday incurred \$363,026 in credit losses, representing 1.3% of average Net Receivables. Axesstoday provides for credit losses on a monthly basis and as at 30 September 2016 held a provision for credit losses of \$836,945, representing 1.4% of Net Receivables at that date. Section 6 (Financial Information) provides details regarding Axesstoday's historical exposure to bad and doubtful debts including provisions for impairment at 30 June 2016.

### 8.2.3 Funding

Axesstoday's funding platform comprises a mix of a Senior Corporate Debt Facility (drawdown and refinancing to occur prior to close of the Offer), Corporate Bond issuances, and the use of Axesstoday's own cash. Axesstoday depends on each of these sources to provide funding to customers.

A loss of, inability to raise further funding, or adverse impact on or in relation to, one or more of Axesstoday's funding sources could limit Axesstoday's ability to continue to fund its existing business, to write new business or, without access to alternative funding sources, to write new business on favourable terms. Each of these outcomes could have an adverse effect on Axesstoday's financial performance.

There is also a risk that, upon the occurrence of certain adverse events, the Senior Corporate Debt Facility or the Corporate Bond issuances could enter an amortisation scenario whereby payments from customers is diverted to the repayment of the senior ranking facilities, which may adversely impact the earnings of Axesstoday. The interest payable under the majority of the Senior Corporate Debt Facility and the Corporate Bond issuance are linked to market movements, including the BBSY – a variable floating interest rate benchmark. It is possible that the interest rate charged may increase in the future, impacting the availability or size of any net margin earned by Axesstoday on the fixed rate Equipment Finance Products funded through its facilities and Axesstoday's cost of doing business. In the event that Axesstoday is unable to increase its costs to its customers on new agreements, or do so in a timely manner, this may adversely impact its operating performance. In the event that Axesstoday is unable to pass

on increased costs, or do so in a timely manner, this may adversely impact its operating performance.

### 8.2.4 Axesstoday may not be able to comply with debt covenants

Axesstoday has various financial and non-financial covenants under its funding facilities (Senior Corporate Debt Facility, Corporate Bond) which could limit its future financial flexibility. If Axesstoday's operating results deteriorate, including incurring significant losses, Axesstoday may be unable to meet the covenants governing its indebtedness, which may require Axesstoday to seek amendments, waivers of covenant compliance or alternative borrowing arrangements, or to reduce debt or raise additional equity. If a breach of covenant were to occur, there is no assurance that the financiers or bond holders would consent to an amendment or waiver, or that those financiers would not exercise their enforcement rights, including requiring immediate repayment and cancellation. Such events could limit Axesstoday's flexibility in planning for, or reacting to, downturns in its business or otherwise materially adversely affect Axesstoday's business, operating and financial performance, and require new funding to be raised or a potential need to raise equity.

### 8.2.5 Security risk

Axesstoday generally takes security over financed equipment through the Personal Property Securities Register. There is a risk that a security interest granted in favour of an entity of the Axesstoday Group may not be perfected and in which case may impact Axesstoday's ability to claim title and ownership over the asset where enforcement action is taken by Axesstoday under the terms of the relevant security agreement, lease agreement or loan contract during the recovery process. Axesstoday has policies and procedures in place to reduce this risk.

Generally, Axesstoday also takes a personal guarantee from the owner, sole trader, or company director of the customer. There is a risk that documentation in relation to the guarantee may not be effective, which may remove or limit the ability for Axesstoday to claim under the guarantee for any losses that may be incurred in the event of default by the customer.



**8.2.6 Loss of key management personnel**

Axesstoday's ability to effectively execute its growth strategy depends upon the performance and expertise of its key management personnel. The personnel discussed in Section 7 (Board, management and governance) are a highly experienced team with a depth of experience in, and knowledge of, Axesstoday's business and the environment in which it operates. Whilst personnel have been cross trained across the various departments and policies and procedures are in place, the loss of these key management personnel, or any delay in their replacement, may adversely affect Axesstoday's future financial performance.

**8.2.7 Employee recruitment risk and retention**

Axesstoday's ability to effectively execute its growth strategy depends upon the performance and expertise of its staff. Axesstoday relies on experienced managerial and highly qualified technical staff to develop and operate its technology and to direct operational staff to manage the operational, sales, compliance and other functions of its business. There is a risk that Axesstoday may not be able to attract and retain key staff or be able to find effective replacements in a timely manner. The loss of staff, or any delay in their replacement, could impact Axesstoday's ability to operate its business and achieve its growth strategies including through the development of new systems and technology. There is a risk that Axesstoday may not be able to recruit suitably qualified and talented staff in a time frame that meets the growth objectives of Axesstoday. This may result in delays in the integration of new systems, development of technology and general business expansion, which may adversely impact Axesstoday's revenue and profitability. There is also a risk that Axesstoday will be unable to retain existing staff, or recruit new staff, on terms of retention that are as attractive to Axesstoday as past agreements. This would adversely impact employment costs and profitability.

**8.2.8 Technology systems failure or disruption**

Axesstoday depends on the constant real-time performance, reliability and availability of its technology system and third-party communication networks. There is a risk that these systems may fail to perform as expected or be adversely impacted by a number of factors, some of which may be outside the control of Axesstoday, including damage, equipment faults, power failure, fire, natural disasters, computer viruses and external malicious interventions such as hacking or denial-of-service attacks. Events of that nature may cause part or all of Axesstoday's technology system and/or the communication networks used by Axesstoday to become unavailable. Axesstoday's operational processes and contingency plans may not adequately address every potential event. This may disrupt transaction flow and adversely impact Axesstoday's financial performance and reputation.

There is a risk that repeated failures to keep Axesstoday's technology available may result in a decline in customer and retail numbers or Retail Merchants cancelling their contracts (Referral Services Agreements) with Axesstoday. This may materially and adversely impact Axesstoday's financial performance, including a reduction in revenue from completed transactions and an increase in the costs associated with servicing customers through the disruption, as well as negatively impacting Axesstoday's reputation.

**8.2.9 Exposure to potential security breaches and data protection issues**

Through the ordinary course of business, Axesstoday collects a wide range of confidential information. Cyber-attacks may compromise or breach the technology platform used by Axesstoday to protect confidential information. There is a risk that the measures taken by Axesstoday may not be sufficient to detect or prevent unauthorised access to, or disclosure of, such confidential information. Any data security breaches or Axesstoday's failure to protect confidential information could result in the loss of information integrity, or breaches of Axesstoday's obligations under applicable laws or agreements, each of which may materially adversely impact the Axesstoday's financial performance and reputation.

### 8.2.10 Fraudulent activity

Aksesstoday is exposed to risks imposed by fraudulent conduct, including the risks associated with end-customers attempting to circumvent Aksesstoday's system and repayment capability assessments. There is a risk that Aksesstoday and its technology partners may be unsuccessful in defeating fraud attempts, resulting in a higher than budgeted cost of fraud and end-customer non-payment. Aksesstoday guarantees payment to customers and accepts the responsibility associated with minimising fraudulent activity and bears all costs associated with such fraudulent activity. Fraudulent activity may result in Aksesstoday suffering losses due to fraud, a materially adverse impact to Aksesstoday's reputation and bearing certain costs to rectify and safeguard business operations and Aksesstoday's systems against fraudulent activity.

### 8.2.11 Protection and ownership of technology and intellectual property

The business of Aksesstoday depends on its ability to commercially exploit its technology and intellectual property, including its technological systems and data processing. Aksesstoday relies on laws relating to trade secrets, copyright and trademarks to assist in protecting its proprietary rights. However, there is a risk that unauthorised use or copying of Aksesstoday's software, data, specialised technology or platforms will occur. In addition, there is a risk that the validity, ownership or authorised use of intellectual property relevant to Aksesstoday's business may be successfully challenged by third parties. This could involve significant expense and potentially the inability to use the intellectual property in question, and if an alternative cost-effective solution were not available, it may materially adversely impact Aksesstoday's financial position and performance. Such disputes may also temporarily adversely impact Aksesstoday's ability to integrate new systems which may adversely impact Aksesstoday's revenue and profitability.

There is also a risk that Aksesstoday will be unable to register or otherwise protect new intellectual property it develops in the future, or which is developed on its behalf by contractors. In addition, competitors may be able to work around any of the intellectual property rights used by

Aksesstoday, or independently develop technologies or competing payment products or services that are not protected by Aksesstoday's intellectual property rights. Aksesstoday's competitors may then be able to offer identical or very similar services or services that are otherwise competitive against those provided by Aksesstoday, which could adversely affect Aksesstoday's business.

Aksesstoday technology may be superseded by other technology or changes in business practices Aksesstoday participates in a competitive environment. IT systems are continuing to develop and are subject to rapid change, while business practices continue to evolve. Aksesstoday's success will in part depend on its ability to offer services and systems that remain current with the continuing changes in technology, evolving industry standards and changing consumer preferences. There is a risk that Aksesstoday will not be successful in addressing these developments in a timely manner, or that expenses will be greater than expected. In addition, there is a risk that new products or technologies (or alternative systems) developed by third parties will supersede Aksesstoday's technology. This may materially and adversely impact Aksesstoday's revenue and profitability.

### 8.2.12 Competitors and new market entrants

Aksesstoday considers it has a competitive advantage by providing flexible products to the Australian market. However, there is always a risk of new entrants in the market which may disrupt Aksesstoday's business and market share. Existing competitors as well as new competitors entering the industry, may engage in aggressive customer acquisition campaigns, develop superior technology offerings or consolidate with other entities to deliver enhanced scale benefits. Such competitive pressures may materially erode Aksesstoday's market share and revenue, and may materially and adversely impact Aksesstoday's revenue and profitability.



### **8.2.13 Capacity constraints**

Continued increases in transaction volumes may require Axsesstoday to expand and adapt its network infrastructure to avoid interruptions to Axsesstoday's systems and technology. Any unprecedented transaction volumes may cause interruptions to Axsesstoday's systems and technology, reduce the number of completed transactions, increase expenses, and reduce the level of customer service, and these factors may potentially adversely impact Axsesstoday's financial performance.

### **8.2.14 Banking performance**

Axsesstoday relies on online payment gateways, banking and financial institutions for the validation of debit cards, settlement and collection of payments. Any failures or disruptions to such platforms and technology may impact the financial performance of Axsesstoday.

### **8.2.15 Axsesstoday may suffer reputational damage**

Maintaining the strength of Axsesstoday's reputation is important to retaining and increasing its end customer base and its retail merchant base. There is a risk that unforeseen issues or events may adversely impact Axsesstoday's reputation. This may adversely impact the future growth and profitability of Axsesstoday. Axsesstoday's reputation is also closely linked to the timely and accurate provision of services to end-customers. There is a risk that Axsesstoday's actions and the actions of Axsesstoday's retailers may adversely impact Axsesstoday's reputation. Any factors that diminish Axsesstoday's reputation could result in customers and other parties ceasing to do business with Axsesstoday, impede its ability to successfully provide the Axsesstoday service, negatively affect its future business strategy and materially and adversely impact Axsesstoday's financial position and performance.

### **8.2.16 Exposure to adverse macroeconomic conditions**

Axsesstoday's business depends on end-customers transacting with retailers, which in turn can be affected by changes in general economic conditions. For example, the retail sector is affected by such macroeconomic conditions as unemployment, interest rates, consumer confidence, economic recessions, downturns or extended periods of uncertainty or volatility, all of which may influence customer spending and suppliers' and retailers' focus and investment in outsourcing solutions. This may subsequently impact Axsesstoday's ability to generate revenue. Additionally, in weaker economic environments, consumers may have less disposable income to spend and so may be less likely to purchase products by utilising Axsesstoday's services and credit losses might increase.

### **8.2.17 Concentration of shareholding**

After the Offer is completed, the Existing Shareholders in Axsesstoday will hold approximately 73.5% of the total shares on issue in Axsesstoday and will continue to be able to exert significant influence over Axsesstoday, including in relation to the election of Directors, the appointment of new management and the potential outcome of matters submitted to the vote of shareholders. There is a risk that the interests of the Existing Shareholders may be different from the interests of investors who acquire Shares under the Offer. There is also a risk that the continued shareholding of the Existing Shareholders, in particular until the end of the escrow period, may cause or contribute to a limited liquidity in the market for shares, which could affect the market price at which other shareholders are able to sell. There is also a risk that a significant sale of shares by Existing Shareholders after the end of the escrow period, or the perception that such a sale might occur, could adversely impact the price of shares.

### **8.2.18 Risk of litigation, claims and disputes**

Axesstoday may be subject to litigation and other claims and disputes in the course of its business, including contractual disputes, employment disputes, indemnity claims, and occupational and personal claims. Even if Axesstoday is ultimately successful, there is a risk that such litigation, claims and disputes could materially and adversely impact Axesstoday's operating and financial performance due to the cost of settling such claims, and affect Axesstoday's reputation.

## **8.3 Regulatory risks**

### **8.3.1 Compliance with laws, regulations and industry compliance standards**

Axesstoday is subject to a range of legal and industry compliance requirements. These include the Listing Rules, personal property securities laws, privacy laws, financial reporting and disclosure requirements, consumer credit regulation, anti-money laundering and counter terrorism laws, unfair contract terms laws, data protection laws, laws preventing misleading and deceptive or unconscionable conduct, and contractual conditions. Legal obligations are constantly changing and in addition, there is the potential that Axesstoday may become subject to additional legal or regulatory requirements if its business, operations, strategy or geographic reach expand in the future. This may potentially include additional financial services licensing obligations, or other licensing or regulatory requirements or similar regulatory obligations on the conduct of its business.

There is a risk that additional or changed legal, regulatory or licensing requirements, and industry compliance standards, may make it uneconomic for Axesstoday to continue to operate, or to expand in accordance with its strategy. This may materially and adversely impact Axesstoday's revenue and profitability, including by preventing its business from reaching sufficient scale. There is also a risk that if Axesstoday fails to comply with these laws, regulations and industry compliance standards, this may result in significantly increased compliance costs, cessation of certain business activities or the ability to conduct business, litigation or regulatory intervention or enforcement activities, in addition to significant reputational damage.

## **8.4 General risks of an investment in Axesstoday**

### **8.4.1 Price of shares may fluctuate**

There are risks associated with any listed company investment. Some of these risks are listed below.

The price at which Shares are quoted on the ASX may be subject to fluctuations in response to factors such as:

- Changes to government fiscal, monetary or regulatory policy, legislation or the regulatory environment in which Axesstoday operates;
- Changes in financial outcomes estimated by securities analysts;
- Changes in the market valuation of other comparable companies and the nature of the market in which Axesstoday operates;
- Announcements by Axesstoday or its competitors of significant acquisitions;
- An event of force majeure, such as terrorism, fire, flood, earthquake, war or strikes;
- Fluctuations in the domestic and international market for listed securities;
- Fluctuations in general domestic and global economic conditions, including interest rates and exchange rates; and
- Other events or factors which may be beyond Axesstoday's control

There is a risk that broader market and industry factors may materially and adversely impact the price of the Shares, regardless of Axesstoday's operating performance and may cause the Shares to trade at prices below the Offer Price. There is no assurance that the price of the Shares will increase following the quotation on the ASX.

### **8.4.2 The trading of shares may not be liquid**

Prior to the Offer, there has been no public market in the Shares. Once the shares are quoted on the ASX, there can be no guarantee that an active market in Shares will develop or that the price of Shares will increase. There may be relatively few buyers or sellers of Shares on the ASX at any given time. There is a risk that this increases the volatility of the market price of Shares and the prevailing market price at which Shareholders are able to sell their Shares. This may result in investors under the Offer receiving a market price for their Shares that is less than the Offer Price.



Following completion of the Offer the Existing Shareholders will hold approximately 73.5% of the total Shares on issue, which may impact on liquidity. The Existing Shareholders have entered into escrow arrangements in relation to all the Shares they hold (other than any Shares they acquired under the Offer) immediately following Completion of the Offer. There is a risk that the absence of any trading in Shares held by the Existing Shareholders during this period may cause, or at least contribute to, limited liquidity in the market for the Shares. This could affect the prevailing market price at which Shareholders are able to sell their Shares and also the time taken to sell all or part of their shareholding. Following release from escrow, Shares held by the Existing Shareholders may be freely traded on the ASX. There is a risk that a significant sale of Shares by an Existing Shareholder, or the perception that such a sale has occurred or might occur, could adversely impact the price of the Shares.

Detail of the voluntary escrow of the Shares held by the Existing Shareholders is provided in Section 11.2 (Voluntary escrow arrangements).

#### **8.4.3 General economic and financial market conditions**

General domestic and global economic conditions may adversely impact the price of Shares for reasons outside Axesstoday's control. This includes increases in unemployment rates, negative consumer and business sentiment and an increase in interest rates, amongst other factors. There is a risk that Shares may trade on the ASX at a price below their Offer Price for a wide variety of reasons, not all of them related to the financial performance of the Company.

#### **8.4.4 There is a risk of shareholder dilution**

In the future, Axesstoday may elect to issue new Shares in connection with future fundraising. While Axesstoday will be subject to the constraints of the ASX Listing Rules regarding the percentage of its capital it is able to issue within a rolling 12-month period (other than where certain exceptions apply), there is a risk that the future issue of additional equity could result in dilution for Shareholders.

#### **8.4.5 Taxation changes may occur**

Tax rules or their interpretation for both Axesstoday and its Shareholders may change. There is a risk that both the level and basis of taxation may change both in Australia and in foreign jurisdictions where Axesstoday currently transacts, as well as new markets it may enter in the future. The tax considerations of investing in the Shares may differ for each Shareholder. Each prospective investor is encouraged to seek professional tax advice in connection with any investment in Axesstoday.

#### **8.4.6 Unforeseen risk**

There may be other risks of which the Directors are unaware at the time of issuing this Prospectus which may impact Axesstoday, its operations and/or the valuation and performance of Shares. The events include but are not limited to acts of terrorism, an outbreak of international hostilities, fires, floods, earthquakes, labour strikes, civil wars, natural disasters, outbreaks of disease or other natural or man-made events or occurrences that can have an adverse effect on the demand for Axesstoday's services and its ability to conduct business.





## 9 Independent Limited Assurance Report



The Directors  
Axsesstoday Limited  
Level 4  
50 Queen Street  
MELBOURNE VIC 3000

11 November 2016

Dear Directors

### ***Independent Limited Assurance Report on Axsesstoday Limited's historical and forecast financial information and Financial Services Guide***

We have been engaged by Axsesstoday Limited (**the Company**) to report on the historical and forecast financial information of the Company for the years ended or ending 30 June 2014, 30 June 2015, 30 June 2016 and 30 June 2017 for inclusion in the prospectus (**Prospectus**) dated on or about 11 November 2016 and relating to the issue of ordinary shares in the Company.

Expressions and terms defined in the Prospectus have the same meaning in this report.

The nature of this report is such that it can only be issued by an entity which holds an Australian financial services licence under the Corporations Act 2001. PricewaterhouseCoopers Securities Ltd, which is wholly owned by PricewaterhouseCoopers holds the appropriate Australian financial services licence under the Corporations Act 2001. This report is both an Independent Limited Assurance Report, the scope of which is set out below, and a Financial Services Guide, as attached at Appendix A.

### ***Scope***

You have requested PricewaterhouseCoopers Securities Ltd to review the following financial information of the Company (the responsible party) included in the Prospectus:

#### ***Statutory Historical Financial Information***

- Statutory income statements for the three years ended 30 June 2014 (**FY14**), 30 June 2015 (**FY15**) and 30 June 2016 (**FY16**);
- Statutory net cash flows for FY14, FY15 and FY16; and
- Statutory historical balance sheet as at 30 June 2016.

The Statutory Historical Financial Information has been prepared in accordance with the stated basis of preparation, being the recognition and measurement principles contained in Australian Accounting Standards and the Company's adopted accounting policies. The Statutory Historical Financial Information has been extracted from the financial reports of the Company for the years ended 30 June 2014, 30 June 2015 and 30 June 2016, which were audited by PricewaterhouseCoopers in accordance

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**PricewaterhouseCoopers Securities Ltd, ACN 003 311 617, ABN 54 003 311 617, Holder of Australian Financial Services Licence No 244572**  
Freshwater Place, 2 Southbank Boulevard, SOUTHBANK VIC 3006, GPO Box 1331, MELBOURNE VIC 3001  
T: 61 3 8603 1000, F: 61 3 8603 1999, [www.pwc.com.au](http://www.pwc.com.au).



with the Australian Auditing Standards. PricewaterhouseCoopers issued unmodified audit opinions. The Statutory Historical Financial Information is presented in the Prospectus in an abbreviated form, insofar as it does not include all of the presentation and disclosures required by Australian Accounting Standards and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the Corporations Act 2001.

#### *Pro Forma Historical Financial Information*

- Pro forma income statements for FY14, FY15 and FY16;
- Pro forma cash flows for FY14, FY15 and FY16; and
- Pro forma balance sheet as at 30 June 2016.

The Pro Forma Historical Financial Information has been derived from the Statutory Historical Financial Information of the Company, after adjusting for the effects of pro forma adjustments described in section 6 of the Prospectus. The stated basis of preparation is the recognition and measurement principles contained in Australian Accounting Standards and the Company's adopted accounting policies applied to the Statutory Historical Financial Information and the events or transactions to which the pro forma adjustments relate, as described in section 6 of the Prospectus, as if those events or transactions had occurred as at the date of the Statutory Historical Financial Information. Due to its nature, the Pro Forma Historical Financial Information does not represent the Company's actual or prospective financial position, financial performance, and/or cash flows.

#### *Statutory Forecast*

- Statutory forecast income statement for the year ending 30 June 2017 (**FY17**); and
- Statutory forecast net cash flow for FY17.

The directors' best-estimate assumptions underlying the Statutory Forecast are described in section 6 of the Prospectus. The stated basis of preparation used in the preparation of the Statutory Forecast being the recognition and measurement principles contained in Australian Accounting Standards and the Company's adopted accounting policies;

#### *Pro Forma Forecast*

- Pro forma forecast income statement for FY17; and
- Pro forma forecast cash flow for FY17.

The Pro Forma Forecast has been derived from the Statutory Forecast, after adjusting for the effects of the pro forma adjustments described in section 6 of the Prospectus. The stated basis of preparation used in the preparation of the Pro Forma Forecast being the recognition and measurement principles contained in Australian Accounting Standards applied to the forecast and the events or transactions to which the pro forma adjustments relate, as described in section 6 of the Prospectus, as if those events or transactions had occurred as at the date of the Statutory Forecast. Due to its nature, the Pro Forma Forecast does not represent the Company's actual prospective financial performance, and/or cash flows for the year ending/as at 30 June 2017.

#### *Directors' responsibility*

The directors of the Company are responsible for the preparation of the Statutory Historical Financial Information and Pro Forma Historical Financial Information, including its basis of preparation and



the selection and determination of pro forma adjustments made to the Statutory Historical Financial Information and included in the Pro Forma Historical Financial Information.

The directors of the Company are also responsible for the preparation of the Statutory Forecast, including its basis of preparation and the best-estimate assumptions underlying the Statutory Forecast. They are also responsible for the preparation of the Pro Forma Forecast, including its basis of preparation and the selection and determination of the pro forma adjustments made to the Statutory Forecast and included in the Pro Forma Forecast.

This includes responsibility for its compliance with applicable laws and regulations and for such internal controls as the directors determine are necessary to enable the preparation of Statutory Historical Financial Information, Pro Forma Historical Financial Information, a Statutory Forecast and a Pro Forma Forecast that are free from material misstatement.

### ***Our responsibility***

Our responsibility is to express a limited assurance conclusion on the Statutory Historical Financial Information, the Pro Forma Historical Financial Information, the Statutory Forecast and Pro Forma Forecast, the best-estimate assumptions underlying the Statutory Forecast and Pro Forma Forecast, and the reasonableness of the Statutory Forecast and Pro Forma Forecast themselves, based on our review. We have conducted our engagement in accordance with the Standard on Assurance Engagement ASAE 3450 Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information.

A review consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain reasonable assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Our engagement did not involve updating or re-issuing any previously issued audit or review report on any financial information used as a source of the financial information.

### ***Conclusions***

#### ***Statutory Historical Financial Information***

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the Statutory Historical Financial Information of the Company, as described in section 6 of the Prospectus, and comprising:

- Statutory income statements for the three years ended FY14, FY15 and FY16;
- Statutory net cash flows for FY14, FY15 and FY16; and
- Statutory historical balance sheet as at 30 June 2016.

are not presented fairly, in all material respects, in accordance with the stated basis of preparation, as described in section 6 of the Prospectus being the recognition and measurement principles contained in Australian Accounting Standards and the Company's adopted accounting policies.





### *Pro Forma Historical Financial Information*

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the Pro Forma Historical Financial Information of the Company as described in section 6 of the Prospectus, and comprising:

- Pro forma income statements for FY14, FY15 and FY16;
- Pro forma cash flows for FY14, FY15 and FY16; and
- Pro forma balance sheet as at 30 June 2016.

are not presented fairly, in all material respects, in accordance with the stated basis of preparation, as described in section 6 of the Prospectus being the recognition and measurement principles contained in Australian Accounting Standards and the Company's adopted accounting policies applied to the Statutory Historical Financial Information and the events or transactions to which the pro forma adjustments relate, as described in section 6 of the Prospectus, as if those events or transactions had occurred as at the date of the Statutory Historical Financial Information.

### *Statutory Forecast*

Based on our review, which is not an audit, nothing has come to our attention which causes us to believe that:

- the directors' best-estimate assumptions used in the preparation of the Statutory Forecast income statement and cash flows of the Company for the year ending 30 June 2017 do not provide reasonable grounds for the Statutory Forecast; and
- in all material respects, the Statutory Forecast:
  - is not properly prepared on the basis of the directors' best-estimate assumptions as described in section 6 of the Prospectus; and
  - is not presented fairly in accordance with the stated basis of preparation, being the recognition and measurement principles contained in Australian Accounting Standards and the entity's adopted accounting policies; and
- the Statutory Forecast itself is unreasonable.

### *Pro Forma Forecast*

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that:

- the directors' best-estimate assumptions used in the preparation of the Pro Forma Forecast income statement and cash flows of the Company for the year ending 30 June 2017 do not provide reasonable grounds for the Pro Forma Forecast; and
- in all material respects, the Pro Forma Forecast:
  - is not properly prepared on the basis of the directors' best-estimate assumptions, as described in section 6 of the Prospectus; and
  - is not presented fairly in accordance with the stated basis of preparation, being the recognition and measurement principles contained in Australian Accounting Standards



and the Company's adopted accounting policies, applied to the Statutory Forecast and the pro forma adjustments as if those adjustments had occurred as at the date of the forecast; and

- the Pro Forma Forecast itself is unreasonable.

#### *Statutory Forecast and Pro Forma Forecast*

The Statutory Forecast and Pro Forma Forecast have been prepared by management and adopted by the directors in order to provide prospective investors with a guide to the potential financial performance of the Company for the year ending 30 June 2017. There is a considerable degree of subjective judgment involved in preparing forecasts since they relate to events and transactions that have not yet occurred and may not occur. Actual results are likely to be different from the Statutory Forecast and Pro Forma Forecast since anticipated events or transactions frequently do not occur as expected and the variation may be material.

The directors' best-estimate assumptions on which the Statutory Forecast and Pro Forma Forecast are based relate to future events and/or transactions that management expect to occur and actions that management expect to take and are also subject to uncertainties and contingencies, which are often outside the control of the Company. Evidence may be available to support the directors' best-estimate assumptions on which the Statutory Forecast and Pro Forma Forecast are based however such evidence is generally future-oriented and therefore speculative in nature. We are therefore not in a position to express a reasonable assurance conclusion on those best-estimate assumptions, and accordingly, provide a lesser level of assurance on the reasonableness of the directors' best-estimate assumptions. The limited assurance conclusion expressed in this report has been formed on the above basis.

Prospective investors should be aware of the material risks and uncertainties in relation to an investment in the Company, which are detailed in the Prospectus, and the inherent uncertainty relating to the Statutory Forecast and Pro Forma Forecast. Accordingly, prospective investors should have regard to the investment risks and sensitivities as described in Section 8 and Section 6.8 of the Prospectus. The sensitivity analysis described in Section 6.8 of the Prospectus demonstrates the impact on the Statutory Forecast and Pro Forma Forecast of changes in key best-estimate assumptions. We express no opinion as to whether the Statutory Forecast or Pro Forma Forecast will be achieved.

The Statutory Forecast and Pro Forma Forecast have been prepared by the directors for the purpose of inclusion in the Prospectus. We disclaim any assumption of responsibility for any reliance on this report, or on the Statutory Forecast or Pro Forma Forecast to which it relates, for any purpose other than that for which it was prepared. We have assumed, and relied on representations from certain members of management of the Company, that all material information concerning the prospects and proposed operations of the Company has been disclosed to us and that the information provided to us for the purpose of our work is true, complete and accurate in all respects. We have no reason to believe that those representations are false.



### ***Notice to investors outside Australia***

Under the terms of our engagement this report has been prepared solely to comply with Australian Auditing Standards applicable to review engagements.

This report does not constitute an offer to sell, or a solicitation of an offer to buy, any securities. We do not hold any financial services licence or other licence outside Australia. We are not recommending or making any representation as to suitability of any investment to any person.

### ***Restriction on Use***

Without modifying our conclusions, we draw attention to Section 6 of the Prospectus, which describes the purpose of the financial information, being for inclusion in the Prospectus. As a result, the financial information may not be suitable for use for another purpose.

### ***Consent***

PricewaterhouseCoopers Securities Ltd has consented to the inclusion of this assurance report in the public document in the form and context in which it is included.

### ***Liability***

The liability of PricewaterhouseCoopers Securities Ltd is limited to the inclusion of this report in the Prospectus. PricewaterhouseCoopers Securities Ltd makes no representation regarding, and has no liability for, any other statements or other material in, or omissions from the Prospectus.

### ***Independence or Disclosure of Interest***

PricewaterhouseCoopers Securities Ltd does not have any interest in the outcome of this offer other than the preparation of this report and participation in due diligence procedures for which normal professional fees will be received.

### ***Financial Services Guide***

We have included our Financial Services Guide as Appendix A to our report. The Financial Services Guide is designed to assist retail clients in their use of any general financial product advice in our report.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Robert Silverwood', written over a light blue horizontal line.

Robert Silverwood  
Authorised Representative  
PricewaterhouseCoopers Securities Ltd



**Appendix A - Financial Services Guide**

**PRICEWATERHOUSECOOPERS SECURITIES LTD**

**FINANCIAL SERVICES GUIDE**

**This Financial Services Guide is dated 11 November 2016**

**1. About us**

PricewaterhouseCoopers Securities Ltd (ABN 54 003 311 617, Australian Financial Services Licence no 244572) ("**PwCS**") has been engaged by Axesstoday Limited (the **Company**) to provide a report in the form of an **Independent Limited Assurance Report** in connection with the proposed initial public offering of shares in the Company and listing of the Company on the Australian Securities Exchange (Offer) for inclusion in the **Prospectus**.

You have not engaged us directly but have been provided with a copy of the Report as a retail client because of your connection to the matters set out in the Report.

**2. This Financial Services Guide**

This Financial Services Guide ("**FSG**") is designed to assist retail clients in their use of any general financial product advice contained in the Report. This FSG contains information about PwCS generally, the financial services we are licensed to provide, the remuneration we may receive in connection with the preparation of the Report, and how complaints against us will be dealt with.

**3. Financial services we are licensed to provide**

Our Australian financial services licence allows us to provide a broad range of services, including providing financial product advice in relation to various financial products such as securities, interests in managed investment schemes, derivatives, superannuation products, foreign exchange contracts, insurance products, life products, managed investment schemes, government debentures, stocks or bonds, and deposit products.



#### 4. General financial product advice

The Report contains only general financial product advice. It was prepared without taking into account your personal objectives, financial situation or needs.

You should consider your own objectives, financial situation and needs when assessing the suitability of the Report to your situation. You may wish to obtain personal financial product advice from the holder of an Australian Financial Services Licence to assist you in this assessment.

#### 5. Fees, commissions and other benefits we may receive

PwCS charges fees to produce reports, including this Report. These fees are negotiated and agreed with the entity who engages PwCS to provide a report. Fees are charged on an hourly basis or as a fixed amount depending on the terms of the agreement with the person who engages us. In the preparation of this Report our fees charged are \$200,000 (excluding GST).

Directors or employees of PwCS, PricewaterhouseCoopers, or other associated entities, may receive partnership distributions, salary or wages from PricewaterhouseCoopers.

#### 6. Associations with issuers of financial products

PwCS and its authorised representatives, employees and associates may from time to time have relationships with the issuers of financial products. For example, PricewaterhouseCoopers may be the auditor of, or provide financial services to, the issuer of a financial product and PwCS may provide financial services to the issuer of a financial product in the ordinary course of its business. PricewaterhouseCoopers are the auditors of the Company.

#### 7. Complaints

If you have a complaint, please raise it with us first, using the contact details listed below. We will endeavour to satisfactorily resolve your complaint in a timely manner. In addition, a copy of our internal complaints handling procedure is available upon request.

If we are not able to resolve your complaint to your satisfaction within 45 days of your written notification, you are entitled to have your matter referred to the Financial Ombudsman Service ("FOS"), an external complaints resolution service. FOS can be contacted by calling 1300 780 808. You will not be charged for using the FOS service.

#### 8. Contact Details

PwCS can be contacted by sending a letter to the following address:

Robert Silverwood  
PwCS, 2 Southbank Boulevard  
Southbank VIC 3006

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HOT		COLD	
Americano	2.50/3.25	Iced Americano	3.25
Cafe Latte	3.25/3.75	Iced Latte	4.25
Cafe Mocha	3.75/4.25	Iced Chai Latte	4.75
Espresso	2.50/3.25	Iced Tea	3.25
Macchiato	2.75	Juice	1.50
Con Panna	2.75	Mineral Water	2.50
Cappuccino	3.25	Raspberry Rose	4.00
Ass Coffee	4.00	Lemonade	
Hot Chocolate	3.50/4.00		
Chai Latte	3.75/4.25		
Latte	3.75		
Rose Leaf Tea	2.75		

Extra Shot	.75	Vanilla	.50
Breve	.50	Soy	.50
Misto	.50		



## 10. Material contracts

### 10.1 Overview

A table of the Material Contracts relating to the Axsesstoday Group is provided below. A summary of each of these Material Contracts (with the exception of the financing documents) is provided commencing at Section 10.2. The summaries are not intended to be exhaustive.

CONTRACT	PARTIES	PURPOSE	RELATED PARTY CONTRACT
<b>Customer agreements</b>			
Equipment Lease Agreement	Aksesstoday Commercial Customers	The Equipment Lease Agreement is used for Leases and governs the relationship between Axsesstoday Commercial and the customer in respect of the lease of commercial goods. The Equipment Lease Agreement also provides for a personal guarantee to be given by a third party guarantor (which may be a Director or shareholder of the applicant).	No
Secured Loan Agreement	Aksesstoday Commercial Customers	The Secured Loan Agreement is used for Chattel Mortgages and operates as a loan by which Axsesstoday Commercial agrees to advance funds to the customer for the purpose of acquiring certain commercial equipment. The document indicates that weekly payments of principal and interest are required to be made.	No
<b>Financing documents</b>			
Facility Agreement	Major bank Aksesstoday and Axsesstoday Commercial as Borrowers Aksesstoday Operations Pty Ltd and Axsesstoday Retail Pty Ltd as Guarantors	This documents a multi option APLMA Senior Corporate Debt Facility comprising a \$47.58m facility from the major bank to repay existing major bank debt facilities and for general working capital purposes.  The facility is secured by a first registered charge over Axsesstoday and each of its Subsidiaries.  Drawdown under the facility and refinance of Axsesstoday's existing bank debt will occur prior to close of the Offer.	No



CONTRACT	PARTIES	PURPOSE	RELATED PARTY CONTRACT
Corporate Bond Trust Deed	Aksesstoday Commercial	<p>This document contains the terms and conditions for the two \$20 million Corporate Bond issues (total of \$40 million) to Aksesstoday Commercial over the past 12 months to broaden its funding base.</p> <p>The Corporate Bond is secured by a second registered charge over Aksesstoday Commercial.</p>	No
<b>Agreements with merchants</b>			
Referral Services Agreements	Aksesstoday Commercial Merchants	This document governs the relationship between Aksesstoday Commercial and Retail Merchants, under which retailers are appointed as “authorised credit referrers” of Aksesstoday Commercial.	No
<b>Inter Aksesstoday Group agreements</b>			
Services Agreement	Aksesstoday Operations Pty Ltd Aksesstoday Commercial	Governs the services provided by Aksesstoday Operations Pty Ltd to Aksesstoday Commercial.	Yes
Services Agreement	Aksesstoday Operations Pty Ltd Aksesstoday Retail Pty Ltd	Governs the services provided by Aksesstoday Operations Pty Ltd to Aksesstoday Retail Pty Ltd	Yes
<b>Director documents</b>			
Executive Services Agreement (Peter Ferizis)	Aksesstoday Peter Ferizis	Documents the terms pursuant to which Peter Ferizis is appointed as Managing Director of Aksesstoday.	Yes
Letter of Appointment (Kerry Daly)	Aksesstoday Kerry Daly	Documents the terms pursuant to which Kerry Daly is appointed as Non-Executive Chairman of Aksesstoday.	Yes
Letter of Appointment (Yaniv Meydan)	Aksesstoday Yaniv Meydan	Documents the terms pursuant to which Yaniv Meydan is appointed as Non-Executive Director of Aksesstoday.	Yes
Letter of Appointment (Michael Sack)	Aksesstoday Michael Sack	Documents the terms pursuant to which Michael Sack is appointed as Non-Executive Director of Aksesstoday.	Yes
Letter of Appointment (Matthew Reynolds)	Aksesstoday Matthew Reynolds	Documents the terms pursuant to which Matthew Reynolds is appointed as Non-Executive Director of Aksesstoday.	Yes



## 10.2 Financing documents

### **Facility Agreement**

The Facility Agreement was entered into between Axsesstoday and a major bank on 9 November 2016.

This documents a Senior Corporate Debt Facility comprising:

- \$40 million (rising to \$45million post IPO) revolving cash advance facility;
- \$2.5 million overdraft facility;
- \$50,000 bank guarantee facility;
- \$30,000 corporate credit card facility.

from a major bank to repay existing former major bank facilities and general working capital purposes.

The facility is secured by a first registered charge over Axsesstoday and each of its Subsidiaries.

The facilities are subject to annual review and at any time where there is a change in control.

The conditions applicable to the Facility Agreement are detailed in Section 6.4.2.

Drawdown under the Facility Agreement and refinance of Axsesstoday's existing bank debt will occur prior to close of the Offer.

### **Corporate Bond Trust Deed**

The Corporate Bond Trust Deed and the 'transaction document' detailed in the Corporate Bond Trust Deed (**Corporate Bond Documents**) dated 7 October 2015 set out the terms and conditions on which Axsesstoday Commercial (**Issuer**) has issued unconditional floating rate medium term debt obligations constituted by and owing under the Corporate Bond Trust Deed (**Corporate Bonds**). As at the date of this Prospectus, this is a total of \$40 million of Corporate Bonds all of which mature on 9 October 2021.

The conditions applicable to the Corporate Bonds are detailed in Section 6.4.2.

The obligations of the Issuer in respect of those Corporate Bonds are secured by a second ranking general security under a general security agreement (**General Security Agreement**) given by the Issuer in favour of a security trustee (**Security Trustee**) in which are subordinated to, and rank junior in right of payment to, the obligations of the Issuer to senior financier who provided the debt facility as at the date of the Conditions (**Senior Financier**). All obligations owing to the Senior Financier must be fully paid before any amount is paid in connection with the Corporate Bonds, with the exception of certain permitted

payments as set out in the Intercreditor Deed. The Corporate Bonds rank equally among themselves and at least equally with all other unsecured and unconditional obligations of the Issuer but behind amounts owing to the Senior Financier under a debt facility or to any financier in replacement of that debt facility.

The Security Trustee holds the benefit of the security on trust for each Noteholder and other beneficiaries as defined in the Security Trust Deed on the terms and conditions set out in the Security Trust Deed. In addition, each of Axesstoday, Axesstoday Retail Pty Ltd, Axesstoday Commercial and Axesstoday Operations Pty Ltd jointly and severally guarantee and indemnify the Note Trustee and each Noteholder in respect of the obligations of the Issuer in respect of any Note.

### 10.3 Customer agreements

#### *Equipment Lease Agreement*

The Equipment Lease Agreement is a standard form contract used for Leases which governs the relationship between Axesstoday Commercial (**Lessor**) and the customer (**Lessee**) in respect of the lease of commercial goods (**Goods**). The contract also provides for a guarantee to be given by a third party guarantor (**Guarantor**) (which may be a Director or shareholder of the applicant) on account of the obligations of the Lessee under the contract.

Among other things, the standard contract includes:

- broad charges over all of the real and personal property of the Lessee;
- rights for the Lessor to perfect its charges by registration on the Personal Property Securities Register of any charge over personal property of the Lessee and by registering a caveat over any of the Lessee's or Guarantor's real property;
- standard obligations on the Lessee to maintain the Goods in good order, maintain adequate insurance over the Goods and make lease payments to the Lessor; and
- rights of the Lessor if the Lessee defaults in its obligations under the Equipment Lease Agreement.

The Lessee is entitled to return the Goods and terminate the Equipment Lease Agreement early if it pays the Lessee the stated termination amount. The Lessee is

liable for rental payments when due until the goods are returned to the Lessor.

The customer may offer to purchase the Goods at the end of the lease or return them to the Lessor in good working condition subject to reasonable wear and tear.

Standard indemnities and limitations of liability also apply broadly in favour of Axesstoday Commercial.

The Terms contain a guarantee and indemnity given by the Guarantor on account of the Lessee's obligations under the Equipment Lease Agreement. The Lessor may demand that the Guarantor immediately pays any amount due under the Equipment Lease Agreement if the Lessee defaults. The indemnity given in favour of the Lessor expires on satisfaction of all of the Lessee's obligations under the Equipment Lease Agreement.

There are three template schedules (Lease Schedules) for the standard contract for execution by the Lessee and any Guarantor. The Terms and Lease Schedules are used across the Lessor's transport and hospitality business divisions. Each schedule outlines the commercial terms and conditions applicable to the relevant Equipment Lease Agreement, including the term of the Equipment Lease Agreement and the amount and frequency of rental payment and the agreed value of the Goods. The Equipment Lease Agreement constitutes a security interest under the PPSA Act (capable of registration on the PPSA).

#### *Secured Loan Agreement*

The Secured Loan Agreement is a standard form contract used for Chattel Mortgages that operates as a loan by which the lender Axesstoday Commercial (**Lender**) agrees to advance funds to the customer (**Borrower**) for the purpose of acquiring certain commercial equipment. The document indicates that weekly payments of principal and interest are required to be made. Upon repayment all future obligations to pay interest are terminated.

The document contains a security interest (capable of registration on the PPSA) for the goods acquired utilising the loan, and contains the usual covenants and restrictions regarding that property (such as a negative pledge and requiring insurance at all times). The Borrower must always notify the lender of the location of the secured property.

The document also includes an unlimited guarantee by a guarantor for the Borrower's obligations under the Secured Loan Agreement (including full indemnity to the Lender for any loss suffered by it).

#### 10.4 Agreement with Retail Merchants

##### ***Referral Services Agreement***

The Referral Services Agreements is a document which governs the relationship between Axesstoday Commercial and Retail Merchants, under which Retail Merchants are appointed as "authorised referrers" of Axesstoday Commercial and provide various services to assist their customers to apply for, and obtain, credit to lease equipment from Axesstoday Commercial.

Among other things, each Referral Services Agreement sets out:

- any fees and charges payable by the retail merchant to Axesstoday Commercial; and
- any commissions or other fees payable by Axesstoday Commercial to the retail merchant and / or the retailer's salesperson responsible for originating each credit application.

Pursuant to the Referral Services Agreements, Retail Merchants are provided with access to an online system provided by Axesstoday which the Retail Merchants can access through computer terminals at its place of business and which enable customers to apply and submit supporting documents to Axesstoday in respect of their Equipment Finance Products. Retail Merchants are required to comply with a 'Training and Compliance Manual' which describes the obligations of the Retail Merchants with respect to its provision of services and interactions with customers.

The Referral Services Agreements are standard form contracts. Standard indemnities and exclusions of liability also apply.

The terms of the Referral Services Agreements vary and is subject to negotiation with each Retail Merchant. Either party may give notice before expiry of the term of the contract or any additional term that it wishes to terminate the agreement, or exercise the option to renew it. If the notice relates to renewal, the other party may agree or decline the request. The Referral Services Agreements also contains certain customary events which would entitle each party to terminate the agreement.

#### 10.5 Axesstoday Group agreements

##### ***Services Agreement (between Axesstoday Operations Pty Ltd and Axesstoday Commercial)***

Pursuant to the Services Agreement, Axesstoday Operations Pty Ltd has agreed to provide certain services to Axesstoday Commercial, including the following:

- clerical and professional staff who have the necessary skills and expertise required by Axesstoday Leasing to operate its business;
- premises required by Axesstoday Commercial to operate its business; and
- such other facilities and services as the parties may agree.

In consideration for the provision of the services, Axesstoday Commercial pays a service fee to Axesstoday Operations Pty Ltd. The service fee is the amount equivalent to the direct and indirect cost to Axesstoday Operations Pty Ltd of providing the services (as determined by Axesstoday Operations Pty Ltd).

The service fee is paid in monthly instalments at the end of each quarter (or at such other time as the parties allow), and is reviewed annually on 30 June. Any changes to the amount of the service fee are required to be agreed in writing by the parties.

The agreement became effective on 22 February 2015 and automatically continues until it is terminated by the parties.

##### ***Services Agreement (between Axesstoday Operations Pty Ltd and Axesstoday Retail Pty Ltd)***

Pursuant to the Services Agreement, Axesstoday Operations Pty Ltd has agreed to provide certain services to Axesstoday Retail Pty Ltd, including the following:

- clerical and professional staff who have the necessary skills and expertise required by Axesstoday Retail Pty Ltd to operate its business;
- premises required by Axesstoday Retail Pty Ltd to operate its business; and
- such other facilities and services as the parties may agree.

In consideration for the provision of the services, Axesstoday Retail Pty Ltd pays a service fee to Axesstoday Operations Pty Ltd. The service fee is the amount equivalent to the direct and indirect cost

to Axesstoday Operations Pty Ltd of providing the services (as determined by Axesstoday Operations Pty Ltd).

The service fee is paid in monthly instalments at the end of each quarter (or at such other time as the parties allow), and is reviewed annually on 30 June. Any changes to the amount of the service fee are required to be agreed in writing by the parties.

The agreement became effective on 22 February 2015 and automatically continues until it is terminated by the parties.

### 10.6 Executive and non-executive Services Agreements

A summary of the key terms of the Executive Services Agreements with Axesstoday's Executive Directors are set out below.

#### **Peter Ferizis**

On 11 November 2016, Peter Ferizis entered into an Executive Services Agreement with Axesstoday to serve as Managing Director of Axesstoday. Peter Ferizis' Executive Services Agreement provides for, amongst other things:

- Peter Ferizis is engaged by Axesstoday to provide services to Axesstoday in the capacity of Managing Director.
- Peter Ferizis is to be paid an annual salary of \$285,000 (exclusive of superannuation).

The Executive Services Agreement is effective from the date of execution and continues until terminated by either Peter Ferizis or Axesstoday. Unless termination is for illness or cause, Peter Ferizis is entitled to a minimum notice period of 3 months from Axesstoday and Axesstoday is entitled to a minimum notice period of 3 months from Peter Ferizis.

The Executive Services Agreement otherwise contains provisions that are usual for agreements of this nature.

#### **Kerry Daly**

On 19 September 2016, Kerry Daly entered into a Letter of Appointment to serve as a Non-Executive Director of Axesstoday. Kerry Daly's Letter of Appointment provides for, amongst other things:

- Kerry Daly's appointment as a Non-Executive Director of Axesstoday.
- Kerry Daly is to be paid an annual director's fee of \$35,000.

- The Letter of Appointment is effective from the date of appointment as a director and continues until the date that Kerry Daly ceases to hold office as a director of Axesstoday.

- Kerry Daly may resign as a director of Axesstoday at any time by written notice.

The Letter of Appointment otherwise contains provisions that are usual for appointment letters of this nature.

#### **Yaniv Meydan**

On 18 September 2016, Yaniv Meydan entered into a Letter of Appointment to serve as a Non-Executive Director of Axesstoday. Yaniv Meydan's Letter of Appointment provides for, amongst other things:

- Yaniv Meydan's appointment as a Non-Executive Director of Axesstoday.

- Yaniv Meydan is to be paid an annual director's fee of \$0.

- The Letter of Appointment is effective from the date of appointment as a director and continues until the date that Yaniv Meydan ceases to hold office as a director of Axesstoday.

- Yaniv Meydan may resign as a director of Axesstoday at any time by written notice.

The Letter of Appointment otherwise contains provisions that are usual for appointment letters of this nature.





***Michael Sack***

On 18 September 2016, Michael Sacks entered into a Letter of Appointment to serve as a Non-Executive Director of Axesstoday. Michael Sacks' Letter of Appointment provides for, amongst other things:

- Michael Sacks' appointment as a Non-Executive Director of Axesstoday.
- Michael Sacks is to be paid an annual director's fee of \$0.
- The Letter of Appointment is effective from the date of execution and continues until the date that Michael Sacks ceases to hold office as a director of Axesstoday.
- Michael Sacks may resign as a director of Axesstoday at any time by written notice.

The Letter of Appointment otherwise contains provisions that are usual for appointment letters of this nature.

***Matthew Reynolds***

On 11 October 2016, Matthew Reynolds entered into a Letter of Appointment to serve as a Non-Executive Director of Axesstoday. Matthew Reynolds' Letter of Appointment provides for, amongst other things:

- Matthew Reynolds' appointment as a Non-Executive Director of Axesstoday, which is effective on and from the Listing Date.
- Matthew Reynolds is to be paid an annual director's fee of \$25,000.
- The Letter of Appointment is effective from the date of execution and continues until the date that Matthew Reynolds ceases to hold office as a director of Axesstoday.
- Matthew Reynolds may resign as a director of Axesstoday at any time by written notice.

The Letter of Appointment otherwise contains provisions that are usual for appointment letters of this nature.



## 11 Additional information

### 11.1 Existing Shareholder interests and dilutionary impact of the Performance Shares

The table below sets out the interests of Existing Shareholders in Shares and Performance Shares:

- at the date of this Prospectus;
- immediately following the Offer; and
- following conversion of the Performance Shares (Tranche 1) and Performance Shares (Tranche 2) assuming no additional Shares are issued before the conversion of the Performance Shares (Tranche 1) and Performance Shares (Tranche 2).

The table below also details the dilutionary impact of the Performance Shares (Tranche 1) and Performance Shares (Tranche 2) to Subscribers who acquired Shares under the Offer.

The Performance Shares (Tranche 1) and Performance Shares (Tranche 2) were issued on 19 October 2016 and were issued to all Existing Shareholders pro-rata with their holding of Shares.

Details of the terms and conditions of the Performance Shares is contained in Section 11.4 (Terms and conditions of Performance Shares).



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EXISTING SHAREHOLDER	PRE OFFER		POST OFFER		POST CONVERSION OF CONVERSION OF PERFORMANCE SHARES (TRANCHE 1)		POST CONVERSION OF CONVERSION OF PERFORMANCE SHARES (TRANCHE 2)	
	Number	%	Number	%	Number	%	Number	%
<b>Program Force Pty Ltd ACN 074 617 824 ATF Meydan Family Trust No 4</b>	Shares							
	11,425,246	41.3%	11,425,246	30.3%	13,487,565	31.6%	16,787,275	33.1%
	Performance Shares							
Tranche 1	2,062,319	-	2,062,319	-	0	-	0	-
Tranche 2	3,299,710	-	3,299,710	-	3,299,710	-	0	-
<b>MRGS Pty Ltd ACN 141 883 481 ATF SAF Trust</b>	Shares							
	4,026,536	14.5%	4,026,536	10.7%	4,753,348	11.1%	5,916,247	11.7%
	Performance Shares							
Tranche 1	726,812	-	726,812	-	0	-	0	-
Tranche 2	1,162,899	-	1,162,899	-	1,162,899	-	0	-
<b>Nahta Pty Ltd ACN 615 547 138 ATF The Sira Trust</b>	Shares							
	4,026,536	14.5%	4,026,536	10.7%	4,753,348	11.1%	5,916,247	11.7%
	Performance Shares							
Tranche 1	726,812	-	726,812	-	0	-	0	0%
Tranche 2	1,162,899	-	1,162,899	-	1,162,899	-	0	0%
<b>Marlion Custodians Pty Ltd ACN 604 328 574</b>	Shares							
	3,552,826	12.8%	3,552,826	9.4%	4,194,130	9.8%	5,220,217	10.3%
	Performance Shares							
Tranche 1	641,304	-	641,304	-	0	-	0	-
Tranche 2	1,026,087	-	1,026,087	-	1,026,087	-	0	-

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EXISTING SHAREHOLDER	PRE OFFER		POST OFFER		POST CONVERSION OF CONVERSION OF PERFORMANCE SHARES (TRANCHE 1)		POST CONVERSION OF CONVERSION OF PERFORMANCE SHARES (TRANCHE 2)	
	Number	%	Number	%	Number	%	Number	%
<b>Snowtec Pty Ltd ACN 116 609 771 ATF Raymond Family Trust</b>	Shares							
	1,657,986	6.0%	1,657,986	4.4%	1,957,261	4.6%	2,436,102	4.8%
	Performance Shares							
	Tranche 1	299,275	-	299,275	-	0	0	-
	Tranche 2	478,841	-	478,841	-	478,841	0	-
<b>Innvale Pty Ltd ACN 006 758 523 ATF The Fourt Court Chambers Trust</b>	Shares							
	3,010,870	10.9%	3,010,870	8.0%	3,554,348	8.3%	4,423,913	8.7%
	Performance Shares							
	Tranche 1	543,478	-	543,478	-	0	0	0%
	Tranche 2	869,565	-	869,565	-	869,565	0	0%
<b>IPO Subscribers</b>	-	-	10,000,000	26.5%	10,000,000	23.4%	10,000,000	19.7%
<b>Total Shares</b>	27,700,000	100%	37,700,000	100%	42,700,000	100%	50,700,000	100%
<b>Total Performance Shares (Tranche 1)</b>	0	0%	5,000,000	100%	0	0%	0	0%
<b>Total Performance Shares (Tranche 2)</b>	0	0%	8,000,000	100%	0	100%	0	0%

**11.2 Voluntary escrow arrangements**

All Shares held by the Existing Shareholders will be subject to Voluntary Escrow Agreements commencing from the date of execution (being 7 November 2016) and ending:

- with respect to 50% of their Shares, 24 months from the date of entry into the Voluntary Escrow Agreement, being 7 November 2018; or
- with respect to the balance 50% of their Shares, 12 months from the date of entry into the Voluntary Escrow Agreement, being 7 November 2017.

In accordance with the escrow arrangements, there are limited circumstances in which an escrow may be released, namely:

- to allow the Existing Shareholder to accept an offer under a takeover bid in relation to its Shares if at least half of the Shares which are subject of the bid that are not held by the Existing Shareholders have accepted the takeover bid

- to allow the Shares held by the Existing Shareholder to be transferred or cancelled as part of a merger by scheme of arrangement under Part 5.1 of the Corporations Act.

The restriction on 'dealing' is broadly defined and includes, among other things, selling, assigning, transferring or otherwise disposing of any interest in the Shares, encumbering or granting a security interest over the Shares, doing, or omitting to do, any act if the act or omission would have the effect of transferring effective ownership or control of any of the Shares or agreeing to do any of those things.

The table below sets out the periods during which the Existing Shareholders will be restricted from dealing in their Shares pursuant to voluntary restrictions.

**EXISTING SHAREHOLDERS<sup>1</sup>****VOLUNTARY RESTRICTION**

	<b>24 months commencing from date of entry into the Voluntary Escrow Agreement</b>  (ending 7 November 2018)	<b>12 months commencing from date of entry into the Voluntary Escrow Agreement</b>  (ending 7 November 2017)
Program Force Pty Ltd ACN 074 617 824 ATF Meydan Family Trust No 4	5,712,623	5,712,623
MRGS Pty Ltd ACN 141 883 481 ATF SAF Trust	2,013,268	2,013,268
Nahta Pty Ltd ACN 615 547 138 ATF The Sira Trust	2,013,268	2,013,268
Marlion Custodians Pty Ltd ACN 604 328 574	1,776,413	1,776,413
Snowtec Pty Ltd ACN 116 609 771 ATF Raymond Family Trust	828,993	828,993
Innvale Pty Ltd ACN 006 758 523 ATF The Fourt Court Chambers Trust	1,505,435	1,505,435

**Note:**

1. This constitutes all Existing Shareholders as at the date of this Prospectus.
2. Refer to Section 11.12 (ASX and ASIC - relief, waivers and confirmations) for detail of the ASIC case-by-case relief received with respect to the Shares the subject of the voluntary escrow.

### 11.3 Rights and liabilities attaching to Shares

The following statements are brief summaries of certain rights and privileges of shareholders conferred by the Corporations Act, the Constitution and the ASX Listing Rules. The description below is only a summary and is qualified in its entirety by reference to the Constitution and the Corporations Act and the ASX Listing Rules.

#### **Share Capital**

As at the date of this Prospectus, Axsesstoday has 27,700,000 Shares on issue, all of which are fully paid-up.

Under the Corporations Act, the Directors have the power to issue shares, or grant options in respect of further shares, on such terms and conditions as the Directors decide by resolution. This includes the power to issue:

- bonus shares (shares for whose issue no consideration is payable to the company);
- preference shares (including redeemable preference shares); and
- partly-paid shares.

Shareholder general authorisation (including a general mandate) is not required for the issue of further shares.

The power of Directors to issue shares in a company is subject to:

- the takeover provisions of the Corporations Act;
- any rights and restrictions attached to a class of shares expressed or implied in the constitution of the company;
- restrictions with respect to preference shares; and
- the provisions in the Corporations Act dealing with the issue of shares and other securities to related parties of the company.

Axsesstoday may issue preference shares under the Corporations Act only if the rights attached to the preference shares are set out in Axsesstoday's Constitution or have been approved by way of a special resolution (75.0% approval) of the Shareholders.

*As an entity admitted to the official list of the ASX, the issue of further shares in Axsesstoday will also be subject to, among others, the restrictions contained within the ASX Listing Rules.*

#### **Purchase by Axsesstoday of its own Shares**

Axsesstoday can either acquire its own Shares pursuant to the terms on which they were issued (i.e. for redeemable preference shares) or pursuant to a regulated share buy-back under the Corporations Act.

The Corporations Act empowers Axsesstoday to buy back its shares if the buy-back does not materially prejudice Axsesstoday's ability to pay its creditors, and Axsesstoday follows the procedures detailed in the Corporations Act.

Axsesstoday will buy-back its Shares when it acquires Shares in itself from a Shareholder under an agreement between Axsesstoday and that Shareholder. It is of the essence of a buy-back that any Shareholder to whom Axsesstoday makes an offer to buy back may decide whether or not to sell.

The Corporations Act regulates five types of buy-back:

- equal access schemes applicable only to ordinary shares—the company makes uniform offers to each shareholder to buy back a uniform percentage of each shareholder's ordinary shares;
- on-market buy-backs—a company listed on a securities exchange buys its shares in the ordinary course of trading on the stock exchange in compliance with the exchange's listing rules as well as the Corporations Act;
- minimum holding (odd-lot) buy-backs—a company listed on a securities exchange buys small parcels of shares which are not marketable parcels on the exchange;
- employee share scheme buy-backs—a company buys shares held by, or for the benefit of, current or former employees, including executive directors, under an existing employee share acquisition scheme that has been approved by the company in general meeting;
- selective buy-backs—the company buys back from a particular member, otherwise than in any of the first four modes.

A selective buy-back must be approved by a special resolution (75% approval) of Axsesstoday in general meeting. That requirement is for protection of other Shareholders who could be prejudiced by a buy-back which:

- unduly favours a particular shareholder who is bought out at an improper premium to market value; or
- would enable particular remaining shareholders to increase their control.

Other forms of buy-back do not require approval in a general meeting unless, in an employee share scheme buy-back, an on-market buy-back or an equal access scheme, the buy-back would exceed the limit on volume of "10% in 12 months". Approval by ordinary resolution is required for any such buy-back which exceeds the limit.

### **Shareholders**

Axesstoday must maintain a register of members which contains the particulars required under the Corporations Act, and only recognise as Shareholders of Axesstoday such persons who are holders of shares and who are registered on the register of members. The register of members must contain the address of a member for the purposes of determining whether they are a foreign shareholder.

As required by the Corporations Act, the principal register of members of Axesstoday is contained in Australia.

If any Share stands jointly in the names of two or more persons, the person first named in the register shall (as regards service of notices and, subject to the provisions of the Constitution, all or any other matters connected with Axesstoday, except with respect to the transfer of Shares), be deemed the sole holder of those Shares.

### **Transfer of Shares**

On admission to the ASX, save as provided in the:

- Constitution;
- the takeover provisions of the Corporations Act; and
- the provisions of the Foreign Acquisitions and Takeovers Act 1975 (FATA);
- the restrictions detailed in the Voluntary Escrow Agreements of the Existing Shareholders,

there will be no restriction on the transfer of fully paid up Shares.

### **General Meeting of Shareholders**

The Directors may convene a general meeting of Shareholders at their absolute discretion by giving not less than 28 days' notice in writing, excluding the day of posting of the notice and the day on which the general meeting is held, to each Shareholder for the passing of an ordinary or special resolution. The written notice must set out:

- the place, date and time of the meeting;
- the general nature of the meeting's business;
- the resolutions to be put to Shareholders for consideration and vote; and
- a proxy form stating that the Shareholder is entitled to appoint a proxy to attend the meeting and vote on the shareholder's behalf and at the shareholder's direction.

Axesstoday is required to present its accounts to Shareholders for approval at an annual general meeting not later than five months after the end of its financial year.

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of Axesstoday. A quorum of two Shareholders is required to be present at the general meeting before any business may be transacted.

A Shareholder/s who holds in excess of 5% of the votes that may be cast at the general meeting may requisition a general meeting of the Company in accordance with the provisions of the Corporations Act.

### **Voting Rights**

Subject to any special rights or restrictions as to voting for the time being attached to any shares by or in accordance with the Constitution, at any general meeting:

- on a show of hands—every Shareholder present in person (or being a corporation, is present by a representative duly authorised under the Constitution) or by proxy shall have one vote and the chairman of the meeting shall determine which proxy shall be entitled to vote where a shareholder is represented by two proxies; and
- on a poll—every Shareholder present in person or by proxy or, in the case of a shareholder being a corporation, by its duly authorised representative shall have one vote for every fully paid share of which they are the holder or which they represents and in respect of which all calls due to Axesstoday has been paid, but so that no amount paid up or credited as paid up on a share in advance of calls or instalments is treated for the foregoing purposes as paid up on the share.

### ***Dividends***

Subject to the Corporations Act, the Constitution and the terms or rights of any shares with special rights to dividends, the Board may from time to time resolve to pay dividends to Shareholders of Axesstoday and fix the amount of the dividend, the time for determining entitlements to the dividend and the timing and method of payment.

Under the Corporations Act, the Board must not pay a dividend unless:

- its assets exceed Axesstoday's liabilities immediately before the dividend is declared and the excess is sufficient for the payment of the dividend;
- the payment of the dividend is fair and reasonable to Axesstoday's Shareholders as a whole; and
- the payment of the dividend does not materially prejudice Axesstoday's ability to pay Axesstoday's creditors.

For further information in respect of Axesstoday's proposed dividend policy, see Section 6.9 (Dividend policy).

### ***Variation of share class rights***

At the date of the Prospectus, Axesstoday's only class of shares on issue is ordinary shares (Shares) and Performance Shares. Subject to the Corporations Act and the terms of issue of a class of shares, the rights attaching to any class of shares may be varied or cancelled:

- with the consent in writing of the holders of three-quarters of the issued shares included in that class; or
- by a special resolution passed at a separate meeting of the holders of those shares.

In either case, the holders of not less than 10% of the votes in the class of shares, the rights of which have been varied or cancelled, may apply to a court of competent jurisdiction to exercise its discretion to set aside such a variation or cancellation.

### ***Liquidation***

If Axesstoday is wound up, the liquidator may (with the sanction of a special resolution):

- distribute the whole or any part of Axesstoday's assets in kind among some or all of the shareholders as the liquidator considers fair and can determine how the distribution is to be carried out as between different shareholders or different classes of shareholders; and

- vest the whole or any part of Axesstoday's assets in trustees on such trusts for the benefit of some or all of the shareholders or some or all of any class of shareholders as are approved by the special resolution, but a shareholder may not be compelled to accept any shares in a body corporate or other securities in respect of which there is a liability.

### ***Indemnity***

Axesstoday, to the extent permitted by law, may indemnify a current or former Director or officer against any liability incurred by that person as a Director or officer of Axesstoday, and legal costs incurred by that person in defending an action for a liability of that person.

Axesstoday, to the extent permitted by law, may pay, or agree to pay, a premium for a contract insuring a former or current Director or officer against any liability incurred by that person in that capacity, including liability for legal costs.

Axesstoday, to the extent permitted by law, may enter into an agreement or deed with a person who is, or has been, a Director or officer of Axesstoday in relation to the matters above. Such an agreement may include provisions relating to rights of access to Axesstoday's books conferred by the Corporations Act or otherwise by law.

### ***Minority Rights***

The Corporations Act has various provisions allowing for application for a court order for oppressive conduct of a company's affairs, allowing for derivative actions and permitting the inspection of a company's books. A winding up may also be sought on just and equitable grounds.

### ***Dividend Reinvestment Plan / Scrip Dividend Schemes***

The Constitution authorises the Directors, on any terms and at their discretion, to establish a dividend reinvestment plan (under which any member may elect that the dividends payable by us be reinvested by a subscription for securities).

Subject to the ASX Listing Rules, Axesstoday may also adopt a scrip dividend scheme entitling Shareholders to elect to receive Shares in lieu of cash amount in respect of any dividend paid.

### **Takeovers**

Under the Corporations Act, a takeover involves the acquisition by one company (bidder) of a sufficient number of shares in another company (target) to obtain control of the finances and operations of the target.

The Corporations Act prohibits an entity from acquiring an interest in voting shares in a company, where:

- the company is either a listed company, or an unlisted company with more than 50 members;
- the interest is acquired through a transaction in relation to securities entered into by or on behalf of the person who acquires the interest; and
- because of the transaction, that person's voting power in the company increases from 20% or below to more than 20%, or increases from a starting point that is above 20% and below 90%.

The Corporations Act provides a number of exceptions to this general prohibition including:

- acquisitions resulting from the acceptance of an offer under a takeover bid;
- an acquisition approved by members;
- increased shareholding under a pro rata issue; and
- "creeping" provisions, which allows a person to acquire a relevant interest in excess of 20% of the voting shares in a company if (i) throughout the 6 months before the acquisition, that person had voting power of at least 19% in the company; and (ii) as a result of the acquisition, that person's voting power in the company does not increase by more than 3% from the voting power held by the person 6 months before the acquisition.

A takeover may proceed by way of an off-market bid or an on-market bid. All offers to security holders in the bid class must be the same and the consideration offered must equal or exceed the maximum consideration that the bidder or an associate of the bidder provided for a security in the bid class in the four months prior to the announcement of the takeover bid.

A bidder making a takeover bid will be permitted to compulsorily acquire the remaining securities in the bid class if during or at the end of the offer period:

- the bidder and its associates have relevant interests in at least 90% (by number) of the securities in the bid class; and
- the bidder and its associates have acquired at least 75% (by number) of the securities that the bidder offered to acquire under the bid (other than securities in which the bidder had a relevant interest in at the start of the offer period).

Chapter 6C of the Corporations Act sets out disclosure requirements for persons who:

- have a substantial holding in an entity listed on a 'prescribed financial market' such as the ASX;
- cease to have a substantial holding in an entity listed on a 'prescribed financial market' such as the ASX;
- has a substantial holding and there is a movement of at least 1% in their holding; or
- the person makes a takeover bid for securities of the company or scheme.

A "substantial holding" includes where a person and their associates have a relevant interest in 5% or more of the total number of votes attaching to voting shares in the body.

### **11.4 Terms and conditions of Performance Shares**

On 19 October 2016, Axsesstoday issued 5,000,000 Performance Shares (Tranche 1) and 8,000,000 Performance Shares (Tranche 2).

A summary of the Performance Share Terms and Conditions is provided below. The description below is only a summary and is qualified in its entirety by reference to the Constitution and the Corporations Act and the Listing Rules.



## PERFORMANCE SHARE TERMS AND CONDITIONS

<b>Performance Shares:</b>	Each Performance Share is a share in the capital of Axsesstoday. The Performance Shares are broken into Performance Shares (Tranche 1) and Performance Shares (Tranche 2).
<b>Meetings and Reports:</b>	Performance Shareholders have the right to receive notices of general meetings and financial reports and accounts of Axsesstoday that are circulated to Shareholders.  Performance Shareholders have the right to attend general meetings of Shareholders.
<b>No Voting Right:</b>	Performance Shareholders have no right to vote (in respect of their Performance Shares) on any resolutions proposed at a general meeting of Shareholders.
<b>No Dividends:</b>	The Performance Shares do not entitle the Performance Shareholder to any dividends.
<b>No Right to Share in Surplus Assets:</b>	The Performance Shares do not participate in the surplus profits or assets of Axsesstoday upon winding up of Axsesstoday.
<b>Non Transferable:</b>	The Performance Shares are non transferable.
<b>Return of capital:</b>	The Performance Shares do not confer a right to a return of capital, whether on winding up, a reduction of capital or otherwise.
<b>Reorganisation:</b>	If at any time the issued capital of Axsesstoday is reorganised, all rights of the Performance Shareholder will be changed to the extent necessary to comply with the applicable ASX Listing Rules at the time of the reorganisation.
<b>Quotation:</b>	The Performance Shares will not be quoted on the ASX. However, upon conversion of the Performance Shares into Shares, Axsesstoday must apply for the official quotation on the ASX of the Shares arising from the conversion.
<b>Bonus or Entitlement Issues:</b>	Performance Shareholders will not be entitled to participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues.

**PERFORMANCE SHARE TERMS AND CONDITIONS****Conversion:**

Performance Shares (Tranche 1) will convert into Shares as follows:

<b>MILESTONE EVENT</b>	<b>PERFORMANCE SHARES</b> (Tranche 1)	<b>DATE FOR DETERMINATION</b>
In the event the Performance Shares (Tranche 1) Milestone is satisfied	100% of the Performance Shares (Tranche 1) held by each Tranche 1 Performance Shareholder will convert into Shares on the basis of one (1) Share for every one (1) Tranche 1 Performance Share.	The date that the Auditor notifies the Company of the Group NPAT for FY2017/2018 <b>(Tranche 1 Determination Date)</b>

Performance Shares (Tranche 2) will convert into Shares as follows:

<b>MILESTONE EVENT</b>	<b>PERFORMANCE SHARES</b> (Tranche 2)	<b>DATE FOR DETERMINATION</b>
In the event the Performance Shares (Tranche 2) Milestone is satisfied	100% of the Performance Shares (Tranche 2) held by each Tranche 2 Performance Shareholder will convert into Shares on the basis of one (1) Share for every one (1) Tranche 2 Performance Share.	The date that the Auditor notifies the Company of the Group NPAT for FY2018/2019 <b>(Tranche 2 Determination Date)</b>

**Performance Shares (Tranche 1) Milestone:**

The Performance Shares (Tranche 1) Milestone is as follows:

- The Axsesstoday Group achieving an NPAT for FY2017/2018 of A\$5,250,000 or more;
- Axsesstoday achieving a target earnings per Share of \$0.123 based on the volume weighted average price of shares on issue during FY2017/2018; and
- During the period commencing from the date of issue of the Performance Shares and ending on 30 June 2018, Axsesstoday must not have been in breach of any of Axsesstoday's debt covenants for more than 20 consecutive business days without such breach having been rectified.

**Performance Shares (Tranche 2) Milestone:**

The Performance Shares (Tranche 2) Milestone is as follows:

- The Axsesstoday Group achieving an NPAT for FY2018/2019 of A\$8,100,000 or more;
- Axsesstoday achieving a target earnings per Share of \$0.148 based on the volume weighted average price of shares on issue during FY2018/2019; and
- During the period commencing from 1 July 2018 and ending on 30 June 2019, Axsesstoday must not have been in breach of any of Axsesstoday's debt covenants for more than 20 consecutive business days without such breach having been rectified.

## PERFORMANCE SHARE TERMS AND CONDITIONS

<b>Change of Control:</b>	<p>Each Performance Share that has not converted to Shares as at the date of the occurrence of a change of control will convert into one (1) Share on the occurrence of a Change of Control.</p> <p>The maximum number of Performance Shares that can be converted into Shares upon a change of control must not exceed 10% of the issued Share capital of the Axsesstoday (as at the date of the change of control). Axsesstoday shall ensure a pro-rata allocation of Shares issued to all Performance Shareholders.</p>
<b>Takeover provisions:</b>	<p>If the conversion of Performance Shares would result in any person being in contravention of the takeover provisions of the Corporations Act then the conversion of each Performance Share that would cause the contravention shall be deferred until such time or times thereafter that the conversion would not result in a contravention of the takeover provisions of the Corporations Act.</p>
<b>Nominal conversion of Performance Shares:</b>	<p>With respect to the Performance Shares (Tranche 1), in the event the Performance Shares (Tranche 1) Milestone is not satisfied, all Performance Shares (Tranche 1) will immediately convert into six (6) Shares (one Share for each Tranche 1 Performance Shareholder).</p> <p>With respect to the Performance Shares (Tranche 2), in the event the Performance Shares (Tranche 2) Milestone is not satisfied, all Performance Shares (Tranche 2) will immediately convert into six (6) Shares (one Share for each Tranche 2 Performance Shareholder).</p>
<b>Holding Statement:</b>	<p>Axsesstoday will issue the Performance Shareholders with a holding statement for the Shares as soon as practicable following the conversion of the Performance Shares into Shares.</p>
<b>Ranking:</b>	<p>The Shares into which the Performance Shares convert will rank pari passu in all respects with existing Shares.</p>

Detail of the holding of Performance Shares is contained in Section 11.1. The Performance Share Terms and Conditions were reviewed by the ASX. Refer to Section 11.12 (ASX and ASIC – relief, waivers and confirmations) for detail of the confirmation received from the ASX.

### 11.5 The Employee Performance Rights Plan

On 11 November 2016, the Axsesstoday Board approved the Employee Performance Rights Plan. A summary of the rules of the Employee Performance Rights Plan is provided below. The description below is only a summary and is qualified in its entirety by reference to the Constitution and the Corporations Act and the Listing Rules.

As at the date of this Prospectus, no Employee Performance Rights (**Employee Performance Rights**) have been used under the Employee Performance Rights Plan, nor have any commitments been made for the issue of any Employment Performance Rights to Directors.

## DETAIL

<b>Eligible Participant:</b>	<p>The Employee Performance Rights may be offered to any:</p> <ul style="list-style-type: none"> <li>• a Director (whether executive or non-executive) of the Axsesstoday Group;</li> <li>• a full or part time employee of the Axsesstoday Group;</li> <li>• a casual employee or contractor of the Axsesstoday Group to the extent permitted by ASIC regulation; or</li> <li>• a prospective participant, being a person to whom the Offer is made but who can only accept the Offer if an arrangement has been entered into that will result in the person becoming an Eligible Participant,</li> </ul> <p>who is declared by the Board to be eligible to receive grants of Employee Performance Rights under the Employee Performance Rights Plan.</p>
<b>Entitlement:</b>	<p>Subject to performance hurdles and vesting conditions being satisfied, each Employee Performance Right entitles the holder to one Share in the capital of Axsesstoday.</p>
<b>Performance hurdles:</b>	<p>The performance hurdles for the Employee Performance Rights will be determined by the Board.</p>
<b>Vesting Conditions:</b>	<ul style="list-style-type: none"> <li>• The Employee Performance Rights will vest in tranches that is applicable to the employee specified role.</li> </ul>
<b>Lapsing:</b>	<p>An Employee Performance Right lapses on the earliest to occur of:</p> <ul style="list-style-type: none"> <li>• where the Employee Performance Hurdles (if any) applicable to that Employee Performance Right have not been satisfied, the date the Board makes a determination that the Employee Performance Right will lapse;</li> <li>• an unauthorised dealing in, or hedging of, the Employee Performance Right occurring;</li> <li>• the date a holder of Employee Performance Right ceases to be an Eligible Participant, unless the Board determines otherwise;</li> <li>• the Board deems that an Employee Performance Right lapses due to improper behaviour of the holder of Employee Performance Right;</li> <li>• Axsesstoday undergoes a change of control event or a winding up resolution or order is made (Relevant Event), and the Board does not exercise its discretion to vest the Employee Performance Right within three months of the Relevant Event; and</li> <li>• the Expiry Date of the Employee Performance Right.</li> </ul>
<b>Exercise Price:</b>	<p>The exercise price (if any) will be determined by the Board.</p>
<b>Expiry Date:</b>	<p>The expiry date will be determined by the Board.</p>
<b>Limit on offers:</b>	<p>The maximum number of Shares to be issued in respect of Employee Performance Rights offered under the Employee Performance Rights Plan, when aggregated with the number of Shares issued or that may be issued as a result of other offers made in the previous 3 years under the Employee Performance Rights Plan, or any other employee incentive scheme, must not exceed 2% of the total number of Shares on issue at the date of the offer under the Employee Performance Rights Plan.</p>
<b>Restriction on transfer:</b>	<p>No Employee Performance Right may be offered, granted or exercised and no Share may be issued or transferred under the Employee Performance Rights Plan if to do so:</p> <ul style="list-style-type: none"> <li>• would contravene the Corporations Act, the ASX Listing Rules or any other applicable law; or</li> <li>• would contravene the local laws or customs of an Eligible Participant's country of residence or in the opinion of the Board would require actions to comply with those local laws or customs which are impractical.</li> </ul>

## DETAIL

<b>Reorganisation:</b>	If at any time the issued capital of Axsesstoday is reorganised, all rights of the Employee Performance Rights holder will be changed to the extent necessary to comply with the applicable ASX Listing Rules (and in compliance with the Corporations Act) at the time of the reorganisation.
<b>Quotation:</b>	The Employee Performance Rights will not be quoted on the ASX. However, upon exercise of the Employee Performance Rights into Shares, Axsesstoday must apply for the official quotation on the ASX of the Shares arising from the exercise.

### 11.6 Litigation

To the knowledge of the Directors there is no current, pending or threatened litigation with which Axsesstoday is directly or indirectly concerned which is likely to have a material adverse impact on the business or financial position of Axsesstoday.

### 11.7 Related party interests

There are no existing agreements or arrangements and there are no currently proposed transactions in which Axsesstoday was, or is to be, a participant, and in which any related party had or will have a direct or indirect material interest, other than:

- The compensation arrangements with Directors and executive officers, which are described in Section 7.3 (Interests of Directors and remuneration); and
- The Shareholder Loan Agreement (Meydan) and Shareholder Loan Agreement (LMKWE). The amount owing under these Shareholder Loan Agreements, being \$2,000,000 (Shareholder Loan Agreement (LMKWE)) and \$750,000 (Shareholder Loan Agreement (Meydan)), is being repaid in full out of the funds raised under the Offer and the Shareholder Loan Agreement (Meydan) and Shareholder Loan Agreement (LMKWE) terminated.
- These loans were entered into on arm's length terms in FY14 and have been drawdown and repaid several times in subsequent years. The current balances were drawdown in FY16 for the purpose of funding Axsesstoday's operations with annual interest rates of 13% (Shareholder Loan Agreement (LMKWE)) and 12% (Shareholder Loan Agreement (Meydan)). The interest is payable quarterly in arrears for the duration of the term determined until such time the loan is repaid.
- The agreements and deeds listed as 'related party agreements' in Section 10 (Material Contracts).

### 11.8 Taxation implications of investing under the Offer

The taxation consequences of an investment in the Shares will depend on your particular circumstances. It is your responsibility to make your own enquiries concerning the taxation consequences of an investment in the Company. The following comments provide a general summary of Australian tax issues for Australian tax resident Shareholders who acquire Shares under this Prospectus.

The categories of Shareholders considered in this summary are limited to individuals, certain companies, trusts, partnerships and complying superannuation funds, each of whom hold their Shares on capital account. This summary does not consider the consequences for non-Australian tax resident Shareholders, or Australian tax resident Shareholders that are insurance companies, banks, Shareholders that hold their Shares on revenue account or carry on a business of trading in shares or Shareholders who are exempt from Australian tax.

This summary also does not cover the consequences for Australian tax resident Shareholders who are subject to Division 230 of the Income Tax Assessment Act 1997 (Cth) (the Taxation of Financial Arrangements or 'TOFA' regime).

This summary is based on the tax law in Australia in force as at the date of this Prospectus. This summary does not take into account the tax law of countries other than Australia. This summary is general in nature and is not intended to be an authoritative or complete statement of the potential tax implications for each Shareholder. The taxation laws of Australia or their interpretation may change, possibly retrospectively. The precise implications of ownership or disposal of the Shares will depend on each Shareholder's specific circumstances.

Shareholders (particularly if tax resident in a jurisdiction other than Australia (for example, New Zealand tax residents) should obtain their own advice on the taxation implications of holding or disposing of the Shares, taking into account their country of tax residence and any circumstances specific to them.



### **Dividends on a Share**

The Company may attach 'franking credits' to dividends. Franking credits broadly represent the extent to which a dividend is paid by the Company out of profits that have been subject to Australian tax. It is possible for a dividend to be fully franked, partly franked or unfranked.

### **Individuals and complying superannuation entities**

Dividends paid by the Company on a Share will constitute assessable income of an Australian tax resident Shareholder. Australian tax resident Shareholders that are individuals or complying superannuation entities should include the dividend in their assessable income (some superannuation funds may be exempt in relation to Shares set aside solely to support current pension liabilities) in the year the dividend is paid, together with any franking credit attached to that dividend if they are a 'qualified person' (refer further comments below).

These Shareholders should be entitled to a tax offset equal to the franking credit attached to the dividend subject to being 'qualified person'. The tax offset can be applied to reduce the tax payable on the Shareholder's taxable income. Where the tax offset exceeds the tax payable on the Shareholder's taxable income in an income

year, these Shareholders should be entitled to a tax refund.

If an unfranked dividend is paid, the Shareholder will generally be taxed at their marginal tax rate on that dividend with no tax offset.

### **Corporate Shareholders**

Australian tax resident corporate Shareholders are also required to include both the dividend and attached franking credit in their assessable income subject to being a 'qualified person'. A tax offset is then allowed up to the amount of the franking credit on the dividend, subject to being a 'qualified person', with the result that a tax resident corporate Shareholder should not pay any additional tax on a fully franked dividend.

An Australian resident corporate Shareholder should be entitled to a credit in its own franking account to the extent of the franking credit attached to the dividend received. This should then allow these corporate Shareholders to pass on the benefit of the franking credits to their own shareholder(s) on a subsequent payment of dividends.

Excess franking credits received cannot give rise to a refund for a corporate Shareholder, but may in certain circumstances be able to be converted into carry forward tax losses.



## Trusts and Partnerships

Shareholders that are Australian resident trustees (other than trustees of complying superannuation entities) or partnerships should include the dividend and attached franking credit in their assessable income in determining the net income of the trust or partnership. Subject to being a 'qualified person', the relevant beneficiary or partner may be entitled to a tax offset equal to the beneficiary's or partner's share of the franking credit received by the trust or partnership.

## Shares Held at Risk

The benefit of franking credits can be denied where a Shareholder is not a 'qualified person' in which case the Shareholder will not be able to include an amount for the franking credits in their assessable income and will not be entitled to a tax offset. Broadly, to be a 'qualified person', a Shareholder must satisfy the holding period rule and, if necessary, the 'related payment rule'.

The 'holding period rule' requires a Shareholder to hold the Shares 'at risk' for more than 45 days continuously in the 'primary qualification period', which is the period beginning the day after the day on which the Shareholder acquires the Shares and ending on the 45th day after the day on which the Shares become ex-dividend. Any day on which a Shareholder has a materially diminished risk or loss of opportunity for gain (through transactions such as granting options or warrants over Shares or entering into a contract to sell the Shares) will not be counted as a day on which the Shareholder held the Shares 'at risk' and neither will the days that the Shares are acquired and disposed of by the Shareholder. This holding period rule is subject to certain exceptions, including where the total franking offsets of an individual in a year of income do not exceed \$5,000.

Special rules apply to trusts and beneficiaries. Specifically, there are particular difficulties in satisfying the holding period rule where an investor holds Shares through a discretionary trust where no family trust election has been made. In these cases, the holding period rule may not be capable of being satisfied (though an exception still applies in the case of individual beneficiaries who have franking credit entitlements of less than \$5,000 in an income year). If a Shareholder is the trustee of a discretionary trust, it is strongly

recommended that professional advice be obtained.

Under the 'related payment rule', a different testing period applies where the Shareholder has made, or is under an obligation to make, a related payment in relation to a dividend. The related payment rule requires the Shareholder to have held the Shares at risk for a continuous 45 day period within the 'secondary qualification period' commencing on the 45th day before, and ending on the 45th day after the day the Shares become ex-dividend. Practically, this should not impact Shareholders who do not pass the benefit of the dividend to another person. Shareholders should obtain their own tax advice to determine if these requirements, as they apply to them, have been satisfied.

Dividend washing rules can apply so that no tax offset is available for the franking credits (nor is the franking credit amount required to be included in your assessable income) associated with a dividend received where the Shareholder receives a franked dividend on a replacement Share after disposing of a substantially identical Share. Shareholders should consider the impact of these rules having regard to their own personal circumstances and seek professional advice to determine if this or any integrity rules could apply to them.

## Disposal of Shares

### *Australian tax implications*

The disposal of a Share by a Shareholder will be a CGT event. An Australian tax resident Shareholder will make a capital gain where the capital proceeds received in relation to the disposal exceeds the cost base of the Share. The CGT cost base of a Share will broadly be the amount paid to acquire the Share plus any non-deductible transaction/incidental costs. In the case of an arm's length transaction, the capital proceeds should generally be the cash proceeds received from the sale of a Share plus the market value of any property received from the sale of the Share.

A CGT discount may be available on the capital gain (after reduction of total capital gains by capital losses) where the Shareholder is an individual, complying superannuation entity or trustee, the Shares have been held for more than 12 months and certain other requirements have been met. Where the CGT discount applies, any capital gain made by individuals and entities acting as trustees (other than trustees of a trust that is a complying superannuation entity)



may be reduced by one half after offsetting current year or prior year capital losses. For a complying superannuation entity, any capital gain may be reduced by one third, after offsetting current year or prior year capital losses. Shareholders that are companies (including limited partnerships or trusts that are deemed to be companies under Australian tax law) are not entitled to the CGT discount.

Where the Shareholder is the trustee of a trust that has held the Shares for more than 12 months before disposal, the CGT discount may flow through to the beneficiaries of the trust if those beneficiaries are individuals, trustees or complying superannuation entities. The CGT discount rules applying to trusts are complex and Shareholders that are trustees should seek specific advice regarding the tax consequences of distributions to beneficiaries who may qualify for discounted capital gains.

An Australian tax resident Shareholder will make a capital loss on the disposal of Shares if the reduced cost base of the Share exceeds the capital proceeds in relation to the disposal. Capital losses may only be offset against capital gains made by the Shareholder in the same income year or future income years, subject to certain loss recoupment tests being satisfied. Capital losses cannot be offset against other assessable income.

### Goods and Services Tax

The issue of Shares by the Company under this Prospectus should not be subject to GST. The acquisition of the Shares by an Australian resident (that is registered for GST) should be an input taxed financial supply and therefore should not be subject to GST.

No GST should be payable in respect of dividends paid to investors.

An Australian resident investor that is registered for GST may not be entitled to claim full input tax credits in respect of GST on expenses they incur that relate to the acquisition, redemption or disposal of the Shares (e.g. lawyers' and accountants' fees).

Investors should seek their own advice on the impact of GST in their own particular circumstances.

### Stamp Duty

Under current stamp duty legislation, investors acquiring Shares under this Prospectus will not be liable for stamp duty on the acquisition.

### Tax File Numbers

An Australian tax resident Shareholder is not required to quote their TFN to the Company. However, if TFN or exemption details are not provided, Australian tax may be required to be deducted or withheld by the Company from dividends and/or distributions that are not fully franked dividends at the maximum marginal tax rate including where relevant, the 'Medicare Levy' and 'Temporary Budget Repair Levy'.

An investor that holds Shares as part of an enterprise may quote its Australian Business Number instead of its TFN.

Australian tax resident Shareholders may be able to claim a tax credit/rebate (as applicable) in respect of any tax withheld on dividends from the ATO.

While the information in this section is based on current tax law and ATO rulings, it is not intended as a substitute for investors obtaining independent tax advice in relation to their personal circumstances.

### 11.9 Interests of experts and advisors and remuneration

Other than as set out below, no person named in this Prospectus as providing professional or advisory services in connection with the preparation of this Prospectus or any firm in which any such person is a partner:

- has or had at any time during the two years preceding the date of the Prospectus, any interest in the formation or promotion of Axsesstoday, or in any property acquired or proposed to be acquired by Axsesstoday or the Offer; or
- has been paid or agreed to be paid any amount or given or agreed to be given any other benefit for services rendered by them in connection with the formation or promotion of Axsesstoday or the Offer.

Patersons Securities Limited has acted as the Lead Manager to the Offer and will receive a Lead Manager fee of 5% of the equity funds raised by the Offer. Patersons Securities Limited will receive an advisory retainer of an aggregate amount of \$45,000.

PricewaterhouseCoopers Securities Ltd has acted as the Australian Investigating Accountant provided the Independent Limited Assurance Report in Section 9. Axsesstoday has paid or agreed to pay an amount of approximately \$200,000 in respect of these services.

PricewaterhouseCoopers has accepted the appointment to act as the Auditor to Axesstoday. PricewaterhouseCoopers does not make any statement in this Prospectus, nor is any statement in this Prospectus based on any statement by PricewaterhouseCoopers. PricewaterhouseCoopers has not provided any audit or other services for the listing or Prospectus purposes or since Axesstoday's incorporation. PricewaterhouseCoopers has been appointed solely as the Company's auditor for the forthcoming statutory audit and review services.

HWL Ebsworth Lawyers has acted as the Australian legal advisor to Axesstoday and performed work in relation to due diligence enquiries on Australian legal matters. Axesstoday has paid or agreed to pay an amount of A\$145,000 (plus disbursements) in respect of these services. Further amounts may be paid to HWL Ebsworth Lawyers in accordance with time-based charges.

### 11.10 Offer expenses

Axesstoday will pay all of the costs associated with the Offer.

The table below outlines the expenses of the Offer.

<b>Estimated cost (exclusive of GST)</b>	<b>\$</b>
Capital raising costs <sup>1</sup>	\$500,000
Lead Manager <sup>2</sup>	\$45,000
Legal fees <sup>3</sup>	\$145,000
ASX fees <sup>4</sup>	\$92,700
ASIC fees	\$2,350
Investigating accountant fees	\$200,000
Printing and other costs	\$17,950
<b>Total estimated costs</b>	<b>\$1,003,000</b>

**Notes:**

1. Consist of brokerage fees paid to the Lead Manager. Refer to Section 11.9 (Interests of experts and advisors and remuneration) for further information.
2. Lead Manager fees cover the fees payable to the Lead Manager and cover the management of the IPO process.
3. Legal fees cover the fees incurred by each of HWL Ebsworth Lawyers (Australian legal advisor).
4. ASX fees are based on the issue price of the Shares and the anticipated issued share capital of Axesstoday after allotment of the Shares.

### 11.11 Consents

Each of the following parties has given, at the time of lodgement of this Prospectus, and has not, before the issue of this Prospectus, withdrawn its written consent to being named in the Prospectus and to the inclusion, in the form and context in which it is named, of any information described below as being included with its consent.

Each of the parties referred to below has not caused the issue of this Prospectus and, to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus other than the reference to its name and any statement or report included in this Prospectus with the consent of that party as described below:

Name of entity	Named as	Reports or statements
PricewaterhouseCoopers	Auditor	No
PricewaterhouseCoopers Securities Ltd	Investigating Accountant	Independent Limited Assurance Report in Section 9.
HWL Ebsworth Lawyers	Australian legal advisor to the Offer	No
Link Market Services Limited	Share Registry for Axsesstoday	No

Patersons Securities Limited has given, and at the time of lodgement of this Prospectus, has not withdrawn its consent to be named as Lead Manager to the offer of securities under this Prospectus, in the form and context in which it is named

Patersons Securities Limited was not involved in the preparation of any part of this Prospectus and did not authorise or cause the issue of this Prospectus. Patersons Securities Limited makes no express or implied representation or warranty in relation to Axsesstoday, this Prospectus or the offer and does not make any statement in this Prospectus, nor is any statement in it based on any statement made by Patersons Securities Limited. To the maximum extent permitted by law, Patersons Securities Limited expressly disclaims and takes no responsibility for any material in, or omission from, this Prospectus other than the reference to its name".

### 11.12 ASX and ASIC – relief, waivers and confirmations

#### ASX

ASX has provided a confirmation that based solely on the information provided to the ASX, on receipt of an application for admission to the official list of the ASX by Axsesstoday, the ASX would be likely to confirm that the terms of the 5,000,000 Performance Shares (Tranche 1) and the 8,000,000 Performance Shares (Tranche 2) issued by Axsesstoday to the Existing Shareholders are appropriate and equitable for the purposes of ASX Listing Rule 6.1,

No Listing Rule waivers are required

#### ASIC

ASIC has provided case-by-case relief to modify section 609 of the Corporations Act so that Axsesstoday does not have a relevant interest in the Shares of the Existing Shareholders (subject to voluntary escrow) merely because the Existing Shareholders will enter into escrow undertakings in respect of such Shares.

Detail of the voluntary escrow of the Shares held by the Existing Shareholders is provided in Section 11.2 (Voluntary escrow arrangements).

### **11.13 Profit statement**

The Directors have made enquiries and nothing has come to their attention to suggest that Axsesstoday is not continuing to earn profit from continuing operations up to the date of this Prospectus.

### **11.14 Electronic Prospectus**

The use of electronic disclosure documents is permitted under Chapter 6D of the Corporations Act. If you have received this Prospectus as an electronic Prospectus please ensure that you have received the entire Prospectus accompanied by the Application Form. If you have not, please contact Axsesstoday's Offer Information Line on 1800 237 687 (from within Australia) or +61 1800 237 687 (from outside Australia) and Axsesstoday will send to you, for free, either a hard copy or a further electronic copy of the Prospectus or both.

Axsesstoday reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered. In such a case, the Application Moneys received will be dealt with in accordance with section 722 of the Corporations Act.

### **11.15 Governing law**

This Prospectus and the contracts that arise from the acceptance of Applications under the Offer are governed by the law applicable in Victoria, Australia and each Applicant submits to the non-exclusive jurisdiction of the courts of Victoria, Australia.

### **11.16 Statement of directors**

The Directors report that after due enquiries by them, in their opinion since the date of the financial statements disclosed in Section 6 (Financial Information), there have not been any circumstances that have arisen or that have materially affected or will materially affect the assets and liabilities, financial position, profits or losses or prospects of Axsesstoday, other than as disclosed in this Prospectus.

Each Director has authorised the issue of this Prospectus and has consented to the lodgement of this Prospectus with ASIC and has not withdrawn that consent.

Signed for and on behalf of Axsesstoday Limited by:



**Kerry Daly**  
*Chairman*

## 12 Glossary

In this Prospectus, the following terms and abbreviations have the following meanings, unless the context otherwise requires:

<b>A\$ or AUD</b>	The lawful currency of Australia.
<b>AEDT</b>	Australian Eastern Standard Time in Sydney, as adjusted for daylight saving, if applicable.
<b>Applicant</b>	Person who submits a valid Application Form pursuant to this Prospectus.
<b>Application</b>	A valid application to subscribe for Shares under the Offer pursuant to this Prospectus.
<b>Application Form</b>	The application form attached to or accompanying this Prospectus for investors.
<b>Application Monies</b>	Money submitted by applicants under the Offer in respect of their applications for Shares.
<b>ASIC</b>	The Australian Securities and Investments Commission.
<b>ASX Settlement</b>	ASX Settlement Pty Limited ACN 008 504 532.
<b>ASX Settlement Operating Rules</b>	The settlement rules of the settlement facility provided by ASX Settlement.
<b>ASX</b>	ASX Limited ACN 008 624 691, or the securities market it operates, as the context requires.
<b>ASX Corporate Governance Principles</b>	The ASX Corporate Governance Principles and Recommendations (3 <sup>rd</sup> Edition) of the ASX Corporate Governance Council as at the date of this Prospectus.
<b>Axesstoday or Company</b>	Axesstoday Limited ACN 603 323 182.
<b>Axesstoday Commercial</b>	ACN 603 303 126 Pty Ltd ACN 603 303 126, a Subsidiary of Axesstoday
<b>Axesstoday Group or Group</b>	Each Axesstoday and each of its Subsidiaries.
<b>Axesstoday Operations Pty Ltd</b>	Axesstoday Operations Pty Ltd ACN 604 340 785, a subsidiary of Axesstoday
<b>Axesstoday Retail Pty Ltd</b>	Axesstoday Retail Pty Ltd ACN 161 130 696, a subsidiary of Axesstoday
<b>BBSW</b>	The bank bill swap rate, this is the rate at which banks will lend to each other.
<b>Board</b>	The board of Directors of Axesstoday.
<b>Chairman</b>	Mr Kerry Daly.
<b>Chattel Mortgage</b>	A loan contract in which equipment is used as security for the Gross Receivable. The Chattel Mortgage is documented by way of the Secured Loan Agreement.
<b>CHESS</b>	The Clearing House Electronic Sub-Register System of share transfers operated by ASX Settlement.
<b>Closing Date</b>	The date the Offer closes as detailed in the timetable on page 10.

<b>Company or Axsesstoday</b>	Axsesstoday Limited ACN 603 323 182.
<b>Completion</b>	The date on which Shares are allotted under the Offer.
<b>Constitution</b>	The Constitution of Axsesstoday adopted on 26 September 2016 and as amended from time to time, a summary of the current version of which is set out in Section 11.3 (Rights and liabilities attaching to Shares).
<b>Corporate Bond</b>	The two \$20 million bond issuances (total of \$40 million) over the past 12 months to broaden the Axsesstoday funding base. The Corporate Bond is documented by way of the Corporate Bond Trust Deed. The material terms of the Corporate Bond are contained in Section 10 (Material Contracts) and Section 6.4.2 (Description of Banking Facilities).
<b>Corporate Bond Documents</b>	The Corporate Bond Trust Deed together with the “transaction documents” as defined in that Corporate Bond Trust Deed. The material terms are contained in Section 10 (Material Contracts) and Section 6.4.2 (Description of Banking Facilities).
<b>Corporate Bond Trust Deed</b>	The note trust deed which documents the terms and conditions of the Corporate Bond dated 7 October 2015. The material terms are contained in Section 10 (Material Contracts) and Section 6.4.2 (Description of Banking Facilities).
<b>Corporations Act</b>	The <i>Corporations Act 2001</i> (Cth), legislation of the Commonwealth of Australia.
<b>Corporate Governance Plan</b>	The corporate governance plan adopted by Axsesstoday and set out on Axsesstoday’s website at <a href="http://www.axsesstodaylimited.com.au">www.axsesstodaylimited.com.au</a> . Detail of the corporate governance plan is provided in Section 7.5 (Corporate governance policies and charters).
<b>Credit Committee</b>	The committee that reviews all applications over \$300,000 and is comprised of a minimum of three senior executives of Axsesstoday.
<b>Credit Division</b>	The Axsesstoday credit division reviews and processes all applications received from potential customers.
<b>Customer Funding Amounts</b>	The amounts to be paid by Axsesstoday to a customer under the Equipment Lease Agreement or Secured Loan Agreement (as relevant).
<b>Directors</b>	Directors of Axsesstoday as at the date of this Prospectus.
<b>Employee Performance Rights</b>	The performance rights issued under the Employee Performance Rights Plan.
<b>Employee Performance Rights Plan</b>	The employee performance rights plan approved by the Board on 11 November 2016, a summary is provided in Section 11.5 (Employee Performance Rights Plan).
<b>Employee Performance Rights Rules</b>	The rules for the Employee Performance Rights Plan.
<b>Equipment Finance Products</b>	The Lease and Chattel Mortgage documented by way of the Equipment Lease Agreement and the Secured Loan Agreement respectively.
<b>Equipment Lease Agreement</b>	The Commercial Lease Terms and Conditions (terms) which forms part of a standard form contract which governs the relationship between Axsesstoday Commercial (Lessor) and the customer (Lessee) in respect of a Lease. A summary of the Equipment Lease Agreement is provided in Section 10 (Material Contracts).
<b>Executive Director</b>	A Director appointed as an executive director of Axsesstoday.

<b>Executive Services Agreement</b>	The employment agreement entered into by each Executive Director and Axesstoday.
<b>Existing Shareholders</b>	Those persons or entities who are Shareholders at the date of this Prospectus.
<b>Exposure Period</b>	The seven day period after the date of lodgement of the Prospectus with ASIC. This period may be extended by ASIC for a further period of up to seven days.
<b>Facility Agreement</b>	The agreement which documents the Senior Corporate Debt Facility entered into on 9 October 2016. The material terms are contained in Section 6.4.2 (Description of banking facilities).
<b>Forecast Financial Information</b>	Has the meaning detailed in Section 6.1.1.
<b>Financial Information</b>	The Historical Financial Information and Forecast Financial Information set out in Section 6 (Financial information).
<b>Gross Receivables</b>	The total amount owing under the Equipment Finance Products including principal, future interest income and GST.
<b>GST</b>	Goods and services tax, being a tax charged on the sale of most goods and services in Australia.
<b>Historical Financial Information</b>	Has the meaning detailed in Section 6.1.1.
<b>Holding Statement</b>	A statement issued by the Share Registry confirming Applicants' allocations under the Offer.
<b>Independent Limited Assurance Report</b>	The Independent Limited Assurance Report on Historical Financial Information and Forecast Financial Information contained in Section 9.
<b>Interest Component</b>	The lease interest under a finance lease recognised under AASB 117 Leases
<b>IPO</b>	Axesstoday's initial public offering of its Shares on the ASX.
<b>Lead Manager</b>	Patersons Securities Limited, an entity registered in Australia.
<b>Lease</b>	A contract that allows for the use of an asset, for a fee, but does not convey ownership rights to the customer. The Lease is documented by way of the Equipment Lease Agreement.
<b>Letters of Appointment</b>	The Letters of Appointment entered into by each Non-Executive Director and Axesstoday.
<b>Listing</b>	The listing of the Shares on the ASX.
<b>Listing Date</b>	The date on which dealings in the Shares first commence on the ASX, which is expected to be on or around 21 December 2016.
<b>Listing Rules</b>	The official Listing Rules of the ASX.
<b>Loan Management and Collections System</b>	The system for the managements of the Receivable Book and collections.
<b>Material Contracts</b>	Those contracts listed and summarised in Section 10 (Material contracts).
<b>Net Receivable</b>	The principal outstanding on Equipment Finance Products.



<b>Non-Executive Director</b>	A Director appointed as a non-executive director of Axesstoday.
<b>Offer</b>	The invitation in this Prospectus to subscribe for Shares.
<b>Offer Information Line</b>	The offer information line operated by the Share Registry being 1800 237 687 (from within Australia) or +61 1800 237 687 (from outside Australia).
<b>Offer Period</b>	The period during which investors may subscribe for Shares under the Offer.
<b>Offer Price</b>	\$1.00 per Share.
<b>Official List</b>	The official list of the ASX.
<b>Opening Date</b>	The date the Offer opens as detailed in the timetable on page 10.
<b>Original Prospectus</b>	The Original Prospectus, dated 11 November 2016 for the issue of 10,000,000 shares which is replaced by this Prospectus.
<b>Origination Division</b>	The Axesstoday origination division oversees the origination of new Retail Merchants by its business development managers.
<b>Performance Share</b>	The performance shares to be issued by Axesstoday on the Listing Date and on the Performance Share Terms and Conditions detailed in Section 11.4 (Terms and conditions of Performance Shares).
<b>Performance Shares (Tranche 1)</b>	The 5,000,000 Performance Shares (Tranche 1) issued to the Existing Shareholders on 19 October 2016 in accordance with the Performance Share Terms and Conditions as detailed in Section 11.4 (Terms and conditions of Performance Shares).
<b>Performance Shares (Tranche 2)</b>	The 8,000,000 Performance Shares (Tranche 2) issued to the Existing Shareholders on 19 October 2016 in accordance with the Performance Share Terms and Conditions as detailed in Section 11.4 (Terms and conditions of Performance Shares).
<b>Performance Share Terms and Conditions</b>	The terms and conditions for the Performance Shares approved by the Board on 19 October 2016.
<b>PPSA</b>	<i>Personal Property Securities Act 2009</i> (Cth) (PPSA).
<b>PPSR</b>	The Personal Property Securities Register.
<b>Proposed Director</b>	Matthew Reynolds.
<b>Prospectus</b>	This replacement Prospectus, dated 24 November 2016 for the issue of 10,000,000 Shares.
<b>Referral Service Agreements</b>	The referral services agreement in place between Axesstoday and leading hospitality, transport and alternative equipment retailers located throughout Australia who refer customers to Axesstoday for a fee. A summary is provided in Section 10 (Material Contracts).
<b>Related Body Corporate</b>	Has the meaning ascribed to that term in the Corporations Act.
<b>Receivable Book</b>	All Gross Receivables owing to Axesstoday.
<b>Retail Merchants</b>	Retail merchants in the hospitality, transport and alternative equipment sectors located throughout Australia, the majority of which have signed a Referral Service Agreements with Axesstoday Commercial.

<b>Secured Loan Agreement</b>	The secured loan agreement terms and conditions which documents the Chattel Mortgage and is entered into between Axesstoday Commercial and the customer. A summary of the Secured Loan Agreement is provided in Section 10 (Material Contracts).
<b>Senior Corporate Debt Facility</b>	The \$47.5 million debt facility from a major bank to fund future growth. The material terms are contained in the Facility Agreement and described in Section 6.4.2 (Description of Banking Facilities) and Section 10 (Material Contracts).
<b>Services Agreements</b>	The services agreements between Axesstoday Operations Pty Ltd and each of Axesstoday Commercial and Axesstoday Retail Pty Ltd dated 22 February 2015, details of which are contained in Section 10 (Material Contracts).
<b>Shareholder</b>	A holder of Shares.
<b>Shares</b>	Fully paid ordinary shares and <b>Share</b> has a corresponding meaning.
<b>Share Registry</b>	Link Market Services Limited ACN 083 214 537, an entity registered in Australia.
<b>Shareholder Loans</b>	The loans the subject of the Shareholder Loan Agreement (LMKWE) and Shareholder Loan Agreement (Meydan).
<b>Shareholder Loan Agreement (LMKWE)</b>	The loan agreement dated on or about 11 September 2014 with respect to the loan advanced by LMKWE Investments Pty Ltd ACN 601 575 455 (as lender) to Axesstoday Retail Pty Ltd (as borrower). This loan amount is being fully repaid out of the funds raised under the Offer.
<b>Shareholder Loan Agreement (Meydan)</b>	The loan agreement dated 4 September 2015 with respect to the loan advanced by AH Meydan Pty Ltd ACN 005 792 209 in its own right and as trustee for The Meydan Family Trust ABN 58 747 527 383 (as lender) to Axesstoday (as borrower) pursuant to the loan agreement dated 4 September 2015. This loan amount is being fully repaid out of the funds raised under the Offer.
<b>SME</b>	Small to medium sized enterprise.
<b>Subscribers</b>	Investors who subscribed for Shares under the Offer
<b>Subscription Amount</b>	The subscription amount being sought by Axesstoday under the Offer, being \$10,000,000.
<b>Subsidiaries</b>	The wholly owned subsidiaries of Axesstoday, being: <ul style="list-style-type: none"> <li>• Axesstoday Commercial;</li> <li>• Axesstoday Operations Pty Ltd; and</li> <li>• Axesstoday Retail Pty Ltd.</li> </ul>
<b>Total Eligible Receivables</b>	Net Receivables including GST and cash and cash equivalents less any Net Receivables classified as being in arrears.
<b>Voluntary Escrow Agreement</b>	The voluntary escrow agreement entered into between each Shareholder with Axesstoday. Further detail is provided in Section 11.2 (Escrow arrangements).

## Appendix A - Accounting Policies

### **Summary of significant accounting policies**

This appendix provides a list of all significant accounting policies adopted in the preparation of the Financial Information.

#### **(a) Historical cost convention**

The Financial Information has been prepared under the historical cost basis, except for the following: available-for-sale financial assets, financial assets and liabilities (including derivative instruments) certain classes. of property, plant and equipment and investment property - measured at fair value assets held for sale - measured at fair value less cost of disposal, and

#### **(b) Principles of consolidation**

##### *Subsidiaries*

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the group.

Intercompany transactions, balances and unrealised gains on transactions between group companies are

eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

#### **(c) Revenue recognition (portfolio income)**

Revenue (portfolio income) is recognised for the major business activities using the methods outlined below.

##### *Lease finance interest revenue*

The group recognises lease finance interest revenue using the effective interest method by applying discount rates implicit in the lease balances receivable at the beginning of each payment period.

##### *Interest income*

Interest income is recognised using the effective interest method. When a receivable is impaired, the group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loans is recognised using the original effective interest rate.

#### **(d) Income tax**

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the group's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated Financial Information. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

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

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences 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 when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

#### **(e) Leases**

Leases of property, plant and equipment where the group, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in other short-term and long-term payables. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the group will obtain ownership at the end of the lease term.

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 profit or loss on a straight-line basis over the period of the lease.

#### **(f) Impairment of assets**

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested 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. The recoverable amount is the higher of an asset's fair value less costs to sell and value-in-use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

#### **(g) Cash and cash equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the consolidated statement of financial position.

#### **(h) Lease receivables**

The group has classified its long term contracts as finance leases for accounting purposes. Under a finance lease, substantially all the risks and benefits incidental to the ownership of the leased asset are transferred by the group to the lessees. The group recognises at the beginning of the lease term an asset at an amount equal to the aggregate of the present value (discounted at the interest rate implicit in the lease) of the minimum lease payments, an estimate of any unguaranteed residual value expected to accrue to the group at the end of the lease term, and any initial direct costs incurred in negotiating and arranging the lease receivable.

### *Impairment of non-derivative financial assets*

Financial assets not carried at fair value through profit or loss are assessed at each reporting date to determine whether there is objective evidence that they are impaired. The main non-derivative financial assets held by the Group are contract debtors and lease receivables.

Objective evidence that financial assets are impaired includes:

- default or delinquency by a debtor;
- indications that a debtor will enter bankruptcy; or
- adverse changes in the payment status of contract holders.

The Group considers evidence of impairment for their rental contract debtors at a collective level. Contracts in arrears are assessed and grouped together depending on their risk characteristics. In assessing collective impairment, the Group uses historical information on the likelihood of recoveries, the total amount of security bonds held against the delinquent contracts and impairs the debtor ledger accordingly. Losses are recognised in profit or loss and reflected in an allowance account. When the Group has exhausted all reasonable efforts of recovery, the net book debt of the contract is written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through profit or loss.

### ***(i) Investments and other financial assets***

#### *I Classification*

The group classifies its financial assets in the following categories:

- financial assets at fair value through profit or loss,
- loans and receivables,
- held-to-maturity investments, and
- available-for-sale financial assets.

The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and, in the case of assets classified as held-to-maturity, re-evaluates this designation at the end of each reporting period.

#### *II Reclassification*

The group may choose to reclassify a non-

derivative trading financial asset out of the held-for-trading category if the financial asset is no longer held for the purpose of selling it in the near term. Financial assets other than loans and receivables are permitted to be reclassified out of the held-for-trading category only in rare circumstances arising from a single event that is unusual and highly unlikely to recur in the near term. In addition, the group may choose to reclassify financial assets that would meet the definition of loans and receivables out of the held-for-trading or available-for-sale categories if the group has the intention and ability to hold these financial assets for the foreseeable future or until maturity at the date of reclassification.

Reclassifications are made at fair value as of the reclassification date. Fair value becomes the new cost or amortised cost as applicable, and no reversals of fair value gains or losses recorded before reclassification date are subsequently made. Effective interest rates for financial assets reclassified to loans and receivables and held-to-maturity categories are determined at the reclassification date. Further increases in estimates of cash flows adjust effective interest rates prospectively.

### *III Recognition and derecognition*

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the group has transferred substantially all the risks and rewards of ownership.

When securities classified as available-for-sale are sold, the accumulated fair value adjustments recognised in other comprehensive income are reclassified to profit or loss as gains and losses from investment securities.

### *IV Measurement*

At initial recognition, the group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Loans and receivables and held-to-maturity investments are subsequently carried at amortised cost using the effective interest method.

Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Gains or losses arising from changes in the fair value are recognised as follows:

Dividends on financial assets at fair value through profit or loss and available-for-sale equity instruments are recognised in profit or loss as part of revenue from continuing operations when the group's right to receive payments is established

#### V Impairment

The group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated. In the case of equity investments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered an indicator that the assets are impaired.

##### *Assets carried at amortised cost*

For loans and receivables, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in profit or loss. If a loan or held-to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the group may measure impairment on the basis of an instrument's fair value using an observable market price.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in profit or loss.

##### *Assets classified as available-for-sale*

If there is objective evidence of impairment for available-for-sale financial assets, the cumulative loss - measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss - is removed from equity and recognised in profit or loss.

Impairment losses on equity instruments that were recognised in profit or loss are not reversed through profit or loss in a subsequent period.

If the fair value of a debt instrument classified as available-for-sale increases in a subsequent period and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed through profit or loss.

#### **(j) Derivatives and hedging activities**

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The group designates certain derivatives as either:

- hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedges)
- hedges of a particular risk associated with the cash flows of recognised assets and liabilities and highly probable forecast transactions (cash flow hedges), or
- hedges of a net investment in a foreign operation (net investment hedges).

The group documents at the inception of the hedging transaction the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The group

also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions have been and will continue to be highly effective in offsetting changes in fair values or cash flows of hedged items.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as a current asset or liability.

- *Cash flow hedge*

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 or other expenses.

Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss (for instance when the forecast sale that is hedged takes place). The gain or loss relating to the effective portion of interest rate swaps hedging variable rate borrowings is recognised in profit or loss within 'finance costs'. The gain or loss relating to the effective portion of forward foreign exchange contracts hedging export sales is recognised in profit or loss within 'sales'. However, when the forecast transaction that is hedged results in the recognition of a non-financial asset (for example, inventory or fixed assets) the gains and losses previously deferred in equity are reclassified from equity and included in the initial measurement of the cost of the asset.

The deferred amounts are ultimately recognised in profit or loss as cost of goods sold in the case of inventory, or as depreciation or impairment in the case of fixed assets.

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

to occur, the cumulative gain or loss that was reported in equity is immediately reclassified to profit or loss.

- *Derivatives that do not qualify for hedge accounting*

Certain derivative instruments do not qualify for hedge accounting. Changes in the fair value of any derivative instrument that does not qualify for hedge accounting are recognised immediately in profit or loss and are included in other income or other expenses.

### **(k) Property, plant and equipment**

Property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

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.

Increases in the carrying amounts arising on revaluation of land and buildings are recognised, net of tax, in other comprehensive income and accumulated in reserves in equity. To the extent that the increase reverses a decrease previously recognised in profit or loss, the increase is first recognised in profit or loss. Decreases that reverse previous increases of the same asset are first recognised in other comprehensive income to the extent of the remaining surplus attributable to the asset; all other decreases are charged to profit or loss. Each year, the difference between depreciation based on the revalued carrying amount of the asset charged to profit or loss and depreciation based on the asset's original cost, net of tax, is reclassified from the property, plant and equipment revaluation surplus to retained earnings.

Depreciation is calculated using the straight-line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives or, in the case of leasehold improvements and



certain leased plant and equipment, the shorter lease term as follows:

- Furniture, fittings and equipment 3-8 years

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

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss. When revalued assets are sold, it is group policy to transfer any amounts included in other reserves in respect of those assets to retained earnings.

#### ***(l) Intangible assets***

##### *IT development and software*

Costs associated with maintaining software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the group are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use management intends to complete the software and use or sell it
- there is an ability to use or sell the software
- it can be demonstrated how the software will generate probable future economic benefits
- adequate technical, financial and other resources to complete the development and to use or sell the software are available, and
- the expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use.

#### ***(m) Trade and other payables***

These amounts represent liabilities for goods and services provided to the group prior to

the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months from the reporting date. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

#### ***(n) Borrowings***

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

#### ***(o) Borrowing costs (finance expenses)***

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are expensed in the period in which they are incurred.

#### ***(p) Provisions***

Provisions for legal claims, service warranties and make good obligations are recognised when the group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

#### **(q) Employee benefits**

##### **• Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits and accumulating sick 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.

##### **• Other long-term employee benefit obligations**

The liabilities for long service leave and annual leave are not expected to be settled wholly 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 using the projected unit credit method. 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. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the consolidated statement of financial position if the entity does not have an unconditional right to defer settlement for at least twelve months after

the reporting date, regardless of when the actual settlement is expected to occur.

#### **(r) Contributed equity**

Ordinary shares are classified as equity.

#### **(s) Performance Shares**

The Performance Shares are granted to all Existing Shareholders and vest on the basis of conditions set out in Section 11.4. If these vesting conditions are met, the Performance Shares will convert one for one into Ordinary Shares of the Company. The Performance Shares are issued to all Existing Shareholders in their capacity as holders of equity instruments of the Company and do not have service conditions; as such they are accounted for as equity instruments.

#### **(t) Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

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

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

## Appendix B - Extracts from 30 June 2016 Financial Statements

Appendix B provides note disclosure extracts for several key balances from the Company's financial statements for the year ended 30 June 2016. The complete financial statements are provided at [www.axsesstodaylimited.com.au](http://www.axsesstodaylimited.com.au).

### 5. REVENUE

	Consolidated entity	
	2016 \$	2015 \$
<b>From continuing operations</b>		
Lease interest	<b>8,343,235</b>	2,992,284
<i>Other revenue</i>		
Interest	<b>107,375</b>	2,178
<b>Total revenue from continuing operations</b>	<b>8,450,610</b>	2,994,462

### 7. EXPENSES

	Consolidated entity	
	2016 \$	2015 \$
<b>Profit before income tax includes the following specific expenses</b>		
<i>Depreciation</i>		
Plant and equipment	<b>8,007</b>	13,082
<i>Amortisation</i>		
Software	<b>5,911</b>	36,862
<i>Bad debt expenses</i>	<b>420,331</b>	17,000
<i>Movement in provision for impairment</i>	<b>412,718</b>	276,236
<i>Finance costs</i>		
Interest and finance charges paid/payable	<b>2,513,348</b>	703,325

**10. CURRENT ASSETS - TRADE AND OTHER RECEIVABLES**

	<b>Consolidated entity</b>	
	<b>2016</b>	<b>2015</b>
	\$	\$
Lease receivables	<b>17,073,531</b>	5,858,090
Loans receivables	<b>1,110,641</b>	-
GST receivable	<b>1,389,799</b>	268,713
Prepayments	<b>220,805</b>	163,333
	<b>19,794,776</b>	6,290,136
Lease receivables balance consists of		
Principal	<b>16,039,928</b>	5,523,186
Initial direct costs	<b>1,033,603</b>	334,904
	<b>17,073,531</b>	5,858,090

**13. NON-CURRENT ASSETS - RECEIVABLES**

	<b>Consolidated entity</b>	
	<b>2016</b>	<b>2015</b>
	\$	\$
Lease receivables	<b>35,122,553</b>	10,926,808
Provision for impairment of receivables	<b>(793,171)</b>	(380,453)
	<b>34,329,382</b>	10,546,355
Lease receivables balance consists of		
Principal	<b>33,012,242</b>	10,308,557
Initial direct costs	<b>2,110,311</b>	618,251
	<b>35,122,553</b>	10,926,808

**(a) Impaired trade receivables**

Movements in the provision for impairment of trade receivables that are assessed for impairment collectively are as follows:

At 1 July	<b>380,453</b>	110,104
Provision for impairment recognised during the year	<b>562,914</b>	293,236
Receivables written off during the year as uncollectable	<b>(150,196)</b>	(22,887)
Unused amounts reversed	-	-
At 30 June	<b>793,171</b>	380,453

The creation and release of the provision for impaired receivables has been included in 'other expenses' in profit or loss. Amounts charged to the allowance account are generally written off when there is no expectation of recovering additional cash.

**19. CURRENT LIABILITIES - BORROWINGS**

	Consolidated entity	
	2016 \$	2015 \$
<b>Secured</b>		
Bank loans	<b>25,300,000</b>	11,000,000
<b>Total secured current borrowings</b>	<b>25,300,000</b>	11,000,000
<b>Unsecured</b>		
Loans from related parties	<b>750,000</b>	-
<b>Total unsecured current borrowings</b>	<b>750,000</b>	-
<b>Total current borrowings</b>	<b>26,050,000</b>	11,000,000

**(a) Bank loans**

On 15 June 2016 Axsesstoday Pty Limited (formally known as A.C.N. 603 323 182 Pty Ltd) ("the Borrower") renegotiated the terms with the Australia and New Zealand Banking Group Limited ("the Lender").

At 30 June 2016, Axsesstoday Pty Limited (formally known as A.C.N. 603 323 182 Pty Ltd) had access to a term loan facility of \$26,000,000 (Australian dollars).

Australia and New Zealand Banking Group Limited has security over the following:

- A.C.N. 603 323 182 Pty Ltd
- A.C.N. 603 303 126 Pty Ltd
- A.C.N. 161 130 696 Pty Ltd
- A.C.N. 604 340 785 Pty Ltd
- Peter Ferizis
- Ryan Raymond
- Yaniv Meydan

Under the terms of the major borrowing facilities, the group is required to comply with the following financial covenants:

- Secured debt to eligible receivable balance is not greater than 85%
- Senior secured debt drawn to eligible receivable balance is not greater than 65%
- Interest cover ratio is greater than 1.5 times

There are financial covenants under the Facility Agreement which have been met.

**21. NON-CURRENT LIABILITIES - BORROWINGS**

	Consolidated entity	
	2016 \$	2015 \$
<b>Secured</b>		
Subordinated Notes	<b>19,239,193</b>	-
<b>Total secured non-current borrowings</b>	<b>19,239,193</b>	-
<b>Unsecured</b>		
Loans from related parties	<b>2,000,000</b>	2,000,000
<b>Total unsecured non-current borrowings</b>	<b>2,000,000</b>	2,000,000
<b>Total non-current borrowings</b>	<b>21,239,193</b>	2,000,000

**(a) Subordinated notes**

The Subordinated Notes are unconditionally and irrevocably guaranteed on a joint and several and unsecured and subordinated basis between the group and BNY Trust Company of Australia Limited. The Subordinated Notes are the second-ranking Security behind the Permitted Senior Debt and liabilities mandatorily preferred by law.

The Subordinated Notes will be unconditionally and irrevocably guaranteed on a joint and several and unsecured and subordinated basis by the group. The obligations of the group under the Guarantee will be unsecured obligations of that group and will at all times rank equally among themselves and at least equally with all other direct, unsecured and unconditional obligations of that Guarantor, other than the Permitted Senior Debt and liabilities mandatorily preferred by law.

In addition, the group undertakes:

At all times, the aggregate of the:

(i) EBITDA generated by the entities named within the agreements is at least 90 per cent of the total EBITDA of the Group; and

(ii) Total Tangible Assets of the entities named within the agreements is at least 90 per cent of the Total Tangible Assets of the Group, in each case, based on the latest Financial Statements.

## Application Form

### Please read all instructions

Before completing the Application Form the applicant(s) should read this Prospectus to which this Application relates.

By lodging the Application Form, the applicant agrees that this Application for Share's in Axsesstoday is upon and subject to the terms of the Prospectus and the Constitution of Axsesstoday, agrees to take any number of Share's that may be allotted to the Applicant(s) pursuant to the Prospectus and declares that all details and statements made are complete and accurate. It is not necessary to sign the Application Form.

### Lodgement of Application

#### ***If paying by cheque(s) or bank draft(s):***

Once your Application Form is completed, please send your Application Form and cheque or bank draft for the Application Monies to Axsesstoday's Share Registry at the address set out below:

#### **Axsessstoday Limited**

C/- Link Market Services Limited, Locked Bag A14, Sydney South NSW 1235

Cheque(s) or bank draft(s) must be:

- in Australian currency;
- drawn at an Australian branch of a financial institution;
- crossed "Not Negotiable"; and
- made payable: to "Axsesstoday Limited".

If paying by cheque(s), Applicants should ensure that sufficient funds are held in the relevant account(s) to cover your cheque(s). If the amount of your cheque(s) for Application Monies (or the amount for which those cheques clear in time for the allocation) is insufficient to pay for the amount you have applied for in your Application Form, you may be taken to have applied for such lower amount as your cleared Application Monies will pay for (and to have specified that amount in your Application Form) or your Application may be rejected.

#### ***If making an online application:***

Please lodge your online application by visiting [www.axsesstodaylimited.com.au](http://www.axsesstodaylimited.com.au). You must make your Application payment by BPAY® before 5:00pm AEDT on the Closing Date.

Applicants making an online payment must use the specific biller code and the unique customer reference number (CRN) generated by the online Application.

Online Application Forms not accompanied by a BPAY® payment will be rejected.

Further information explaining this method of payment is available by visiting [www.axsesstodaylimited.com.au](http://www.axsesstodaylimited.com.au).

Neither the Share Registry or Axsesstoday accepts any responsibility if you lodge the Application Form at any other address or by any other means.



## Public Offer Application Form

This is an Application Form for Shares in Aksesstoday Limited under the Public Offer on the terms set out in the Prospectus dated 24 November 2016. You may apply for a minimum of 2,000 Shares and multiples of 500 thereafter. This Application Form and your cheque or bank draft must be received by **5:00pm (AEDT) on 9 December 2016**.

**If you are in doubt as to how to deal with this Application Form, please contact your accountant, lawyer, stockbroker or other professional adviser. The Prospectus contains information relevant to a decision to invest in Shares and you should read the entire Prospectus carefully before applying for Shares.**

Shares applied for

Price per Share

Application Monies

**A**

at

**A\$1.00**

**B** A\$

(minimum 2,000, thereafter in multiples of 500)

**PLEASE COMPLETE YOUR DETAILS BELOW** (refer overleaf for correct forms of registrable names)

**+**

Applicant #1

Surname/Company Name

**C**

Title

First Name

Middle Name

Joint Applicant #2

Surname

Title

First Name

Middle Name

Designated account e.g. <Super Fund> (or Joint Applicant #3)

TFN/ABN/Exemption Code

First Applicant

Joint Applicant #2

Joint Applicant #3

**D**

TFN/ABN type – if NOT an individual, please mark the appropriate box

☐ Company

☐ Partnership

☐ Trust

☐ Super Fund

**PLEASE COMPLETE ADDRESS DETAILS**

PO Box/RMB/Locked Bag/Care of (c/-)/Property name/Building name (if applicable)

**E**

Unit Number/Level

Street Number

Street Name

Suburb/City or Town

State

Postcode

Email address (only for purpose of electronic communication of shareholder information)

CHESS HIN (if you want to add this holding to a specific CHESS holder, write the number here)

**F**

☒

**+**

*Please note: that if you supply a CHESS HIN but the name and address details on your Application Form do not correspond exactly with the registration details held at CHESS, your Application will be deemed to be made without the CHESS HIN and any Shares issued as a result of the Offer will be held on the issuer sponsored sub-register.*

Telephone Number where you can be contacted during Business Hours

Contact Name (PRINT)

**G**



Cheques or bank drafts should be made payable to “**AXSESSTODAY LIMITED**” in Australian currency and crossed “Not Negotiable”.

**H**

Cheque or Bank Draft Number

BSB

Account Number




Total Amount **A\$**

### LODGEMENT INSTRUCTIONS

You must return your application so it is received before 5:00pm (AEDT) on 9 December 2016 to:  
Link Market Services Limited, Locked Bag A14, Sydney South NSW 1235.

**AXL IPO001**



# Your Guide to the Application Form

Please complete all relevant white sections of the Application Form in BLOCK LETTERS, using black or blue ink. These instructions are cross-referenced to each section of the form.

The Shares to which this Application Form relates are Axesstoday Limited ("Axesstoday") Shares. Further details about the shares are contained in the Prospectus dated 24 November 2016 issued by Axesstoday Limited. The Prospectus will expire 13 months from 11 November 2016. While the Prospectus is current, Axesstoday Limited will send paper copies of the Prospectus, any supplementary document and the Application Form, free of charge on request.

The Australian Securities and Investments Commission requires that a person who provides access to an electronic application form must provide access, by the same means and at the same time, to the relevant Prospectus. This Application Form is included in the Prospectus.

The Prospectus contains important information about investing in the Shares. You should read the Prospectus before applying for Shares.

- A** Insert the number of Shares you wish to apply for. The Application must be for a minimum of 2,000 Shares and thereafter in multiples of 500. You may be issued all of the Shares applied for or a lesser number.
- B** Insert the relevant amount of Application Monies. To calculate your Application Monies, multiply the number of Shares applied for by the issue price. Amounts should be in Australian dollars. Please make sure the amount of your cheque or bank draft equals this amount.
- C** Write the full name you wish to appear on the register of Shares. This must be either your own name or the name of a company. Up to three joint Applicants may register. You should refer to the table below for the correct registrable title.
- D** Enter your Tax File Number (TFN) or exemption category. Business enterprises may alternatively quote their Australian Business Number (ABN). Where applicable, please enter the TFN or ABN for each joint Applicant. Collection of TFN(s) and ABN(s) is authorised by taxation laws. Quotation of TFN(s) and ABN(s) is not compulsory and will not affect your Application. However, if these are not provided, Axesstoday will be required to deduct tax at the highest marginal rate of tax (including the Medicare Levy) from payments.
- E** Please enter your postal address for all correspondence. All communications to you from Axesstoday and the Share Registry will be mailed to the person(s) and address as shown. For joint Applicants, only one address can be entered.
- F** If you are already a CHESS participant or sponsored by a CHESS participant, write your Holder Identification Number (HIN) here. If the name or address recorded on CHESS for this HIN is different to the details given on this form, your Shares will be issued to Axesstoday's issuer sponsored subregister.
- G** Please enter your telephone number(s), area code and contact name in case we need to contact you in relation to your Application.
- H** Please complete the details of your cheque or bank draft in this section. The total amount of your cheque or bank draft should agree with the amount shown in section B.  
Make your cheque or bank draft payable to "**AXESSTODAY LIMITED**" in Australian currency and cross it "Not Negotiable". Your cheque or bank draft must be drawn on an Australian bank. Sufficient cleared funds should be held in your account, as cheques returned unpaid are likely to result in your Application being rejected.  
If you receive a firm allocation of Shares from your Broker make your cheque payable to your Broker in accordance with their instructions.

## LODGEMENT INSTRUCTIONS

This Application Form and your cheque or bank draft must be mailed or delivered so that it is received before 5:00pm (AEDT) on 9 December 2016 at:

### Mailing Address

Axesstoday Limited  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235

### Hand Delivery

Axesstoday Limited  
C/- Link Market Services Limited  
1A Homebush Bay Drive  
Rhodes NSW 2138

**(do not use this address for mailing purposes)**

## PERSONAL INFORMATION COLLECTION NOTIFICATION STATEMENT

Personal information about you is held on the public register in accordance with Chapter 2C of the *Corporations Act 2001*. For details about Link Group's personal information handling practices including collection, use and disclosure, how you may access and correct your personal information and raise privacy concerns, visit our website at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au) for a copy of the Link Group condensed privacy statement, or contact us by phone on +61 1800 502 355 (free call within Australia) 9am–5pm (Sydney time) Monday to Friday (excluding public holidays) to request a copy of our complete privacy policy.

## CORRECT FORMS OF REGISTRABLE NAMES

Note that ONLY legal entities are allowed to hold Shares. Applications must be in the name(s) of natural persons or companies. At least one full given name and the surname is required for each natural person. The name of the beneficiary or any other non-registrable name may be included by way of an account designation if completed exactly as described in the examples of correct forms below.

Type of Investor	Correct Form of Registration	Incorrect Form of Registration
<b>Individual</b> Use given names in full, not initials	Mrs Katherine Clare Edwards	K C Edwards
<b>Company</b> Use Company's full title, not abbreviations	Liz Biz Pty Ltd	Liz Biz P/L or Liz Biz Co.
<b>Joint Holdings</b> Use full and complete names	Mr Peter Paul Tranche & Ms Mary Orlando Tranche	Peter Paul & Mary Tranche
<b>Trusts</b> Use the trustee(s) personal name(s)	Mrs Alessandra Herbert Smith <Alessandra Smith A/C>	Alessandra Smith Family Trust
<b>Deceased Estates</b> Use the executor(s) personal name(s)	Ms Sophia Garnet Post & Mr Alexander Traverse Post <Est Harold Post A/C>	Estate of late Harold Post or Harold Post Deceased
<b>Minor (a person under the age of 18 years)</b> Use the name of a responsible adult with an appropriate designation	Mrs Sally Hamilton <Henry Hamilton>	Master Henry Hamilton
<b>Partnerships</b> Use the partners' personal names	Mr Frederick Samuel Smith & Mr Samuel Lawrence Smith <Fred Smith & Son A/C>	Fred Smith & Son
<b>Long Names</b>	Mr Hugh Adrian John Smith-Jones	Mr Hugh A J Smith Jones
<b>Clubs/Unincorporated Bodies/Business Names</b> Use office bearer(s) personal name(s)	Mr Alistair Edward Lilley <Vintage Wine Club A/C>	Vintage Wine Club
<b>Superannuation Funds</b> Use the name of the trustee of the fund	XYZ Pty Ltd <Super Fund A/C>	XYZ Pty Ltd Superannuation Fund

Put the name(s) of any joint Applicant(s) and/or account description using <> as indicated above in designated spaces at section C on the Application Form.



## Corporate directory

### Company – Office & Headquarters

Axesstoday Limited  
Level 4, 50 Queen Street,  
Melbourne, Victoria, 3000

### Board of Directors

Name	Position
Peter Ferizis	Executive Director
Kerry Daly	Non-Executive Director
Yaniv Meydan	Non-Executive Director
Michael Sack	Non-Executive Director
Matthew Reynolds	Proposed Non-Executive Director

### Company Secretary

Joe Flanagan

### ASX Code

AXL

### Lead Manager

Patersons Securities Limited  
Level 15, 333 Collins Street  
Melbourne, Victoria 3000

### Auditors

PricewaterhouseCoopers  
Level 19, 2 Southbank Boulevard  
Southbank, Victoria 3000

### Investigating Accountants

PricewaterhouseCoopers Securities Ltd  
Level 19, 2 Southbank Boulevard  
Southbank, Victoria 3000

### Australian Legal Advisor

HWL Ebsworth Lawyers  
Level 19, 480 Queen Street  
Brisbane, Queensland 4000

### Share Registry

Link Market Services Limited  
Level 12, 680 George Street  
Sydney NSW 2000



**Axsesstoday Limited**  
OFFICE & HEADQUARTERS

Level 4, 50 Queen Street  
Melbourne, Victoria, 3000  
[ir@axsesstoday.com.au](mailto:ir@axsesstoday.com.au)