

*Aksesstoday*

---

# **CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

**For the half-year period  
ended 31 December 2017**

## Contents

<b>Directors' Report</b>	<b>3</b>
<b>Auditor's Independence Declaration</b>	<b>6</b>
<b>Interim financial report</b>	
Condensed consolidated statement of profit or loss	<b>7</b>
Condensed consolidated statement of comprehensive income	<b>8</b>
Condensed consolidated statement of financial position	<b>9</b>
Condensed consolidated statement of changes in equity	<b>10</b>
Condensed consolidated statement of cash flows	<b>11</b>
Notes to the condensed consolidated financial statements	<b>12</b>
<b>Directors' declaration</b>	<b>23</b>
<b>Independent auditor's review report</b>	<b>24</b>

### Australian requirements for interim financial reports

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report should be read in conjunction with the annual report for the year ended 30 June 2017 and any public announcements made by Axsesstoday Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

Axesstoday Limited is a company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is at Level 9, 360 Collins Street, Melbourne, Australia, 3000. Its shares are listed on the Australian Stock Exchange.

## Directors' report

The Directors present their report, together with the financial statements, on the consolidated entity (the "Group") consisting of Axesstoday Limited ("Axesstoday" or the "Company") and the entities it controlled at the end of, or during, the half-year ended 31 December 2017.

The following persons were directors of Axesstoday Limited during the half-year and up to the date of this report:

- **Kerry Daly** (Chairman)
- **Peter Ferizis** (Managing Director and CEO)
- **Michael Sack**
- **Matthew Reynolds**
- **Yaniv Meydan**

### Principal Activities

During the half year the principal activities of the Group consisted of providing equipment finance primarily to small to medium enterprise customers in the hospitality and transport sectors.

## Results and Review of Operations

### Overview

Axesstoday Limited (ASX: AXL) ("Axesstoday") is a specialist provider of equipment funding solutions for small to medium sized enterprises (SMEs) in the hospitality, transport and other sectors. By providing a compelling and differentiated value proposition for merchants to offer equipment finance to their end customers, the Group has continued to achieve strong growth since commencing operation in 2012.

Whilst market conditions have remained relatively stable in both the hospitality and transport segments for the 6 months to 31 December 2017, Axesstoday has again outperformed key operating targets and broader industry growth trends. The Group's performance is due to its proprietary IT system, strong introducer relationships cemented through formal agreements and customer value proposition.

The business is characterized by predictable, annuity style income streams from a growing and diversified customer base.

Axesstoday reports net profit after tax of \$3.2million for the period to 31 December 2017. This represents a \$1.5m or 95% increase from the prior corresponding period. The key drivers of the profitable growth over the period were:

- Net portfolio income increasing by 144% to \$15.0 million compared to prior corresponding period
- Accredited retail merchants and introducers increasing from 249 as at 30 June 2017 to 317 as at 31 December 2017
- Net receivables increase from \$167.5 million at 30 June 2017 to \$256.7 million at 31 December 2017 representing a 53% increase, as a result of strong business performance

# 4

AXSESSTODAY

The Group has begun to experience significant improvement in operating efficiencies post the initial implementation of the core system upgrades. The material benefits of the system and other enhanced business processes will not be reflected in the operating costs until FY19 where the majority of cost savings will be directed towards continued enhancement and investment in operational resources and supporting the securitisation program. The Company will continue to advance IT development and the constant improvement of its proprietary core system. This will ensure that the Company continues to provide customers, business partners and employees with industry leading experiences via cutting edge technology.

Portfolio credit performance has remained stable over the first 6 months of FY18, with arrears (unimpaired past due 30 days receivables) at 1.6% of gross receivables as at 31 December 2017, which increased from 1.4% as at 30 September 2017. Total credit losses to 31 December 2017 are within target range. During the first quarter of FY18, the Company refined its estimation techniques used to determine which assets should be written off and which should be subject to provision.

## Segment performance

### **Hospitality**

The Hospitality business continued its strong momentum for the 6 month period to 31 December 2017, with growth in loan receivables of 83% over the previous corresponding period to \$88.3 million. The Company has continued to deepen market penetration in its core channels of restaurants, cafes and franchises. The outlook for the Hospitality sector remains strong and the Company expects it to continue to provide significant annuity income for the foreseeable future as industry relationships are strengthened and broadened.

### **Transport**

The Transport sector exceeded expectations for the period to 31 December 2017, with growth in loan receivables of 365% over the previous corresponding period to \$123.9 million. The growth has been attributed to increased accreditations with the largest and most reputable introducers in the market. The Company expects this robust performance to continue into the second half of the financial year based on the strong finance origination pipeline.

### **Business loans**

Axesstoday provides short term business loans to qualifying customers. The product was launched in January 2017 and is complimentary to existing product offering with risk adjusted returns in line with the Company's objective. As at 31 December 2017, the principal balance on the loan book was \$13.6 million, a 119% increase over 30 June 2017.

## Canada Pilot Update

In Q1 FY18, the Company commenced a pilot with a large, reputable retail merchant partner in the hospitality sector operating throughout Canada. The Company has 2 FTE located in Canada and is utilising a low cost operating structure by leveraging efficiencies from the proprietary IT solution. Whilst the opportunity is at an early stage, the progress of the pilot to date indicates a significant opportunity for the Group in 2018 and beyond.

## Funding and Securitisation Warehouse

Axesstoday utilises a broad and diversified funding base comprising a senior syndicated bank debt facility (\$175.0 million), corporate notes (\$80.0 million) and equity. During the period to 31 December 2017, the Company has been negotiating to establish an asset securitisation facility with a leading Australian financier. The proposed facility will provide a material benefit through the provision of a long term efficient capital funding model, reduce current equity funding requirements and reduce the weighted average cost of funding. Due diligence is progressing well and the Company expects to report further progress on this initiative during Q3 FY18.

## Outlook

The Company continues to pursue growth strategy that is aimed at creating and maximising shareholder returns and value. Whilst market conditions are stable, current underlying growth is attributed to the introducer relationships the Company has developed since inception and that are secured through formal agreements. Looking forward, the combination of investment in technology and securing efficient funding structures will ensure the Company is effectively leveraging these relationships, operating optimally and delivering long term compound earnings growth for shareholders.

Auditors Independence Declaration:

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 6.



**Peter Ferizis**  
Managing Director and CEO

Melbourne  
12 February 2018



## Auditor's Independence Declaration

As lead auditor for the review of Axesstoday Limited for the half-year ended 31 December 2017, I declare that to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (b) no contraventions of any applicable code of professional conduct in relation to the review.

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

A handwritten signature in black ink, appearing to read 'D Rosenberg', with a long horizontal flourish extending to the right.

Daniel Rosenberg  
Partner  
PricewaterhouseCoopers

Melbourne  
12 February 2018

---

**PricewaterhouseCoopers, ABN 52 780 433 757**  
2 Riverside Quay, 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)

Liability limited by a scheme approved under Professional Standards Legislation.

**Axesstoday Limited**  
**Condensed consolidated statement of profit and loss**

For the half-year ended 31 December 2017

	Notes	HALF-YEAR	
		2017	2016
		\$	\$
<b>Revenue from continuing operations</b>	7	<b>21,484,179</b>	8,288,976
Other income		<b>561,592</b>	312,993
Employee benefits expense		<b>(3,850,048)</b>	(2,009,343)
Depreciation and amortisation expense		<b>(160,098)</b>	(35,711)
Provision for lease impairment		<b>(2,762,412)</b>	(728,879)
Registration costs		<b>(953,389)</b>	(221,869)
General Administration and Marketing Expenses		<b>(1,417,076)</b>	(542,524)
Other expenses		<b>(1,296,735)</b>	(263,650)
Finance costs		<b>(7,062,770)</b>	(2,465,119)
<b>Profit before income tax</b>		<b>4,543,243</b>	2,334,874
Income tax expense		<b>(1,376,359)</b>	(711,375)
<b>Profit for the half-year</b>		<b>3,166,884</b>	1,623,499
<b>Profit is attributable to:</b>			
Owners of Axesstoday Limited		<b>3,166,884</b>	1,623,499
<b>Earnings per share for profit attributable to the ordinary equity holders of the company:</b>			
Basic earnings per share (cents)		<b>6.45</b>	5.78
Diluted earnings per share (cents)		<b>5.07</b>	4.87

The above condensed consolidated statement of profit and loss should be read in conjunction with the accompanying notes.

**Axesstoday Limited**  
**Condensed consolidated statement of comprehensive income**

For the half-year ended 31 December 2017

	<b>HALF-YEAR</b>	
	2017	2016
<b>Other comprehensive income</b>	\$	\$
Profit for the half-year	<b>3,166,884</b>	1,623,499
<i>Item that may be reclassified to profit or loss</i>		
Changes in the fair value of cash flow hedges	<b>(53,993)</b>	64,598
<b>Other comprehensive income for the half-year, net of tax</b>	<b>(53,993)</b>	64,598
<b>Profit for the half-year</b>	<b>3,112,891</b>	1,688,097
<b>Profit is attributable to:</b>		
Owners of Axesstoday Limited	<b>3,112,891</b>	1,688,097

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

**Axesstoday Limited**  
**Condensed consolidated statement of financial position**

For the half-year ended 31 December 2017

	Notes	31-Dec-17	30-Jun-17
		\$	\$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		<b>3,332,562</b>	2,404,228
Receivables	8	<b>67,915,580</b>	46,216,494
Other receivables		<b>11,573,832</b>	5,953,429
<b>Total current assets</b>		<b>82,821,974</b>	54,574,151
<b>NON-CURRENT ASSETS</b>			
Receivables	8	<b>188,782,934</b>	121,234,139
Property, plant and equipment		<b>735,687</b>	666,677
Intangible assets		<b>1,860,707</b>	819,497
<b>Total non-current assets</b>		<b>191,379,328</b>	122,720,313
<b>Total assets</b>		<b>274,201,302</b>	177,294,464
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables		<b>5,034,452</b>	3,327,759
Borrowings	9	<b>1,358,055</b>	-
Derivative financial instruments		<b>627,700</b>	550,567
Current tax liabilities		<b>376,109</b>	290,332
Provisions		<b>351,178</b>	283,040
<b>Total current liabilities</b>		<b>7,747,494</b>	4,451,698
<b>NON-CURRENT LIABILITIES</b>			
Borrowings	9	<b>215,334,802</b>	137,640,142
Deferred tax liabilities		<b>2,849,861</b>	1,582,406
Provisions		<b>286,243</b>	337,615
<b>Total non-current liabilities</b>		<b>218,470,906</b>	139,560,163
<b>Total liabilities</b>		<b>226,218,400</b>	144,011,861
<b>Net assets</b>		<b>47,982,902</b>	33,282,603
<b>EQUITY</b>			
Contributed equity	10	<b>40,973,892</b>	28,371,168
Other reserves		<b>(439,391)</b>	(385,397)
Retained earnings		<b>7,448,401</b>	5,296,832
<b>Total equity</b>		<b>47,982,902</b>	33,282,603

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

**Axesstoday Limited**  
**Condensed consolidated statement of changes in equity**

For the half-year ended 31 December 2017

<b>Consolidated entity</b>	<b>Attributable to owners of Axesstoday Limited</b>			
	Contributed Equity	Other Reserves	Retained Earnings	Total Equity
	\$	\$	\$	\$
<b>Balance at 1 July 2016</b>	<b>4,501,000</b>	<b>(346,400)</b>	<b>1,647,901</b>	<b>5,802,501</b>
Profit for the half-year	-	-	1,623,499	1,623,499
Other comprehensive income	-	64,598	-	64,598
<b>Total comprehensive income for the half-year</b>	<b>-</b>	<b>64,598</b>	<b>1,623,499</b>	<b>1,688,097</b>
<b>Transactions with owners in their capacity as owners:</b>				
Contributions of equity, net of transaction costs and tax	12,487,057	-	-	12,487,057
<b>Balance at 31 December 2016</b>	<b>16,988,057</b>	<b>(281,802)</b>	<b>3,271,400</b>	<b>19,977,655</b>
<b>Balance at 1 July 2017</b>	<b>28,371,168</b>	<b>(385,397)</b>	<b>5,296,832</b>	<b>33,282,603</b>
Profit for the half-year	-	-	3,166,884	3,166,884
Other comprehensive income	-	(53,994)	-	(53,994)
<b>Total comprehensive income for the half-year</b>	<b>-</b>	<b>(53,994)</b>	<b>3,166,884</b>	<b>3,112,890</b>
<b>Transactions with owners in their capacity as owners:</b>				
Contributions of equity, net of transaction costs and tax	12,602,724	-	-	12,602,724
Payment of dividends	-	-	(1,015,315)	(1,015,315)
	12,602,724	-	(1,015,315)	11,587,409
<b>Balance at 31 December 2017</b>	<b>40,973,892</b>	<b>(439,391)</b>	<b>7,448,401</b>	<b>47,982,902</b>

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

**Axesstoday Limited**  
**Condensed consolidated statement of cash flows**

For the half-year ended 31 December 2017

	HALF-YEAR	
	2017	2016
	\$	\$
<b>Cash flows from operating activities</b>		
Receipts from customers (inc. GST)	<b>41,798,541</b>	18,385,477
Payments to suppliers and employees (inc. GST)	<b>(125,318,916)</b>	(49,124,544)
	<b>(83,520,375)</b>	(30,739,067)
Interest received	-	156,732
Interest paid	<b>(6,279,152)</b>	(1,804,481)
Income taxes paid	-	(214,404)
<b>Net cash (outflow) from operating activities</b>	<b>(89,799,527)</b>	(32,601,220)
<b>Cash flows from investing activities</b>		
Payments for property, plant and equipment	<b>(147,484)</b>	(39,358)
Payments for intangibles	<b>(1,122,834)</b>	(41,265)
Proceeds from sale of property, plant and equipment	-	-
<b>Net cash (outflow) from investing activities</b>	<b>(1,270,318)</b>	(80,623)
<b>Cash flows from financing activities</b>		
Proceeds from issues of shares and other equity securities	<b>12,602,724</b>	12,487,057
Proceeds from subordinated notes	-	19,230,000
Proceeds from bank borrowings	<b>79,052,715</b>	2,000,000
Repayment of related party borrowings	-	(2,750,000)
Payment of dividends	<b>(1,015,315)</b>	-
<b>Net cash inflow from financing activities</b>	<b>90,640,124</b>	30,967,057
<b>Net (decrease) increase in cash and cash equivalents</b>	<b>(429,721)</b>	(1,714,786)
Cash and cash equivalents at the beginning of the half-year	<b>2,404,228</b>	599,778
<b>Cash and cash equivalents at the end of the half-year</b>	<b>1,974,507</b>	(1,115,008)
<b>Cash</b>	<b>3,332,562</b>	167,765
<b>Bank overdraft</b>	<b>(1,358,055)</b>	(1,282,773)
<b>Balance per statement of cashflows</b>	<b>1,974,507</b>	(1,115,008)

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

---

**Axesstoday Limited**  
**Notes to the condensed consolidated financial statements**

---

For the half-year ended 31 December 2017

---

## 1. General Information

Axesstoday Limited (the "Company") is a company domiciled in Australia. The condensed consolidated interim financial statements of the Company as at and for the six months ended 31 December 2017 comprise the Company and its subsidiaries (together referred to as the "Group"). The Group is a for profit entity and is a provider of finance to small to medium sized enterprises for equipment, including hospitality, transport, and other business critical equipment. The consolidated annual financial statements of the Group as at and for the year ended 30 June 2017 are available at [www.axesstodaylimited.com.au](http://www.axesstodaylimited.com.au).

## 2. Significant Accounting Policies

This condensed consolidated interim financial statements for the half-year reporting period ended 31 December 2017 has been prepared in accordance with AASB 134 Interim Financial Reporting and the Corporations Act 2001.

These condensed consolidated interim financial statements were approved by the Board of Directors on 12 February 2018.

The Group has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretation did not have any significant impact on the financial performance or position of the Group. Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The accounting policies adopted in the preparation of the condensed interim consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 30 June 2017, excluding:

### (a) Share based incentive

The fair value of options granted under the Axesstoday Employee Option Plan is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (e.g. the entity's share price)
- excluding the impact of any service and non-market performance vesting conditions (eg profitability, sales growth targets and remaining an employee of the entity over a specified time period), and
- including the impact of any non-vesting conditions (e.g. the requirement for employees to save or holdings shares for a specific period of time).

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

### 3. Estimates and Judgments

The preparation of interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these statements, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 30 June 2017.

### 4. Derivative Financial Instruments

Derivatives are only used for economic hedging purposes and not as trading or speculative investments. The group has the following derivative financial instruments:

	DEC 2017	JUN 2017
<b>Current liabilities</b>	\$	\$
Interest rate swap contracts - cash flow hedges	<b>627,700</b>	550,567
Total current derivative financial instrument liabilities	<b>627,700</b>	550,567

#### Instruments used by the group

The group is party to derivative financial instruments in the normal course of business in order to hedge exposure to fluctuations in interest rates in accordance with the group's financial risk management policies.

#### *Interest rate swap contracts - cash flow*

Bank loans of the group currently bear an average interest rate of 1.85% (2017: 1.81%). The group's policy is to protect part of the loans from exposure to increasing interest rates. Accordingly, the group has entered into interest rate swap contracts under which it is obliged to receive interest at variable rates and to pay interest at fixed rates.

The variable interest rate is 1.85% above the 90 day bank bill rate which at the end of the reporting period was 1.77% (2017: 1.72%). The interest rate swap contracts currently in place have fixed interest rates as follows:

Notional Amount	Expiry Date	Rate
\$ 15,000,000	9/07/2020	2.26%
\$ 20,000,000	9/07/2020	2.77%
\$ 17,712,000	9/07/2020	2.11%
\$ 18,750,000	9/07/2020	2.27%

## 5. Fair value measurement of financial instruments

This note provides an update on the judgments and estimates made by the group in determining the fair values of the financial instruments since the last annual financial report.

### (a) Fair value hierarchy

To provide an indication about the reliability of the inputs used in determining fair value, the group classifies its financial instruments into the three levels prescribed under the accounting standards. An explanation of each level follows underneath the table.

The following table presents the group's financial assets and financial liabilities measured and recognised at fair value at 30 June 2017 and 31 December 2017 on a recurring basis:

At 31 December 2017				
	Level 1	Level 2	Level 3	Total
Liabilities:				
Derivatives used for hedging - interest rate swap	-	627,700	-	627,700
<b>Total Liabilities</b>	<b>-</b>	<b>627,700</b>	<b>-</b>	<b>627,700</b>

  

At 30 June 2017				
	Level 1	Level 2	Level 3	Total
Liabilities:				
Derivatives used for hedging - interest rate swap	-	550,567	-	550,567
<b>Total Liabilities</b>	<b>-</b>	<b>550,567</b>	<b>-</b>	<b>550,567</b>

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

The group did not measure any financial assets or financial liabilities at fair value on a non-recurring basis as at 31 December 2017.

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

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

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

## **(b) Fair value hierarchy**

Specific valuation techniques used to value financial instruments include:

- The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves.
- The fair value of the remaining financial instruments is determined using discounted cash flow analysis.

All of the resulting fair value estimates are included in level 2.

## **(c) Fair value measurements using significant unobservable inputs**

There were no transfers between the levels of the fair value hierarchy in the six months to 31 December 2017. There were also no changes made to any valuations techniques applied as of 30 June 2017.

## **(d) Fair values of other financial instruments (unrecognized)**

The group also has a number of financial instruments which are not measured at fair value in the balance sheet. For the majority of these instruments, the fair values are not materially different to their carrying amounts, since the interest receivable/payable is either close to current market rates or the instruments are short-term in nature. Significant differences were identified for the following instruments at 31 December 2017:

## 6. Operating Segments

The Group has two reportable segments based on the asset classes that comprise the majority of the lease receivables balance, being Hospitality and Transport. The two segments are managed separately with distinct products because they are significantly different markets. For each of the segments, the Group's Chief Executive Officer and other executive managers review internal management reports on a monthly basis. The following summary describes the operations in each of the Group's reportable segments:

- Hospitality - providing equipment finance to the hospitality industry
- Transport - providing equipment finance to the transport industry
- Other - providing equipment finance to other industries outside hospitality and transport such as beauty and fitness and providing business loans to small to medium sized enterprises

Allocation of operating expenses is based on the number of open customer accounts per segment. At 31 December 2017, the average financed amount for hospitality and transport segments were \$15k and \$60k, respectively

<b>31-Dec-17</b>				
	Hospitality	Transport	Other	Total
Revenue	8,472,783	8,894,891	4,116,505	21,484,179
Operating Costs	(5,373,507)	(3,285,920)	(2,199,069)	(10,858,496)
Finance Costs	(2,281,569)	(3,202,421)	(1,149,975)	(6,633,965)
Reportable segment profit/loss before tax	1,136,862	2,526,591	879,790	4,543,243
Segment receivables	88,284,346	123,916,346	44,497,822	256,698,514
Segment debt	74,525,507	104,604,373	37,562,976	216,692,856

  

<b>31-Dec-16</b>				
	Hospitality	Transport	Other	Total
Revenue	4,918,080	2,255,488	1,115,408	8,288,976
Operating Costs	(2,788,719)	(421,654)	(935,217)	(4,145,590)
Finance Costs	(1,194,229)	(657,878)	(441,162)	(2,293,269)
Reportable segment profit/loss before tax	1,236,413	1,278,599	(180,138)	2,334,874
Segment receivables	48,336,152	26,627,447	14,499,196	89,462,795
Segment debt	36,169,101	19,924,855	10,849,496	66,943,452

## 7. Revenue

	HALF-YEAR	
	2017	2016
<b>From continuing operations</b>	\$	\$
Lease interest	<b>18,404,764</b>	8,133,737
Interest	<b>3,079,415</b>	155,239
<b>Total revenue from continuing operations</b>	<b>21,484,179</b>	8,288,976

## 8. Receivables

	31-Dec-17	30-Jun-17
<b>Current</b>	\$	\$
Lease receivables	<b>46,733,937</b>	33,296,576
Secured loans receivables	<b>21,882,793</b>	13,484,561
Provision for impairment of receivables	<b>(701,150)</b>	(564,643)
<b>Current net receivables</b>	<b>67,915,580</b>	46,216,494
<b>Non-current</b>	\$	\$
Lease receivables	<b>177,568,735</b>	115,886,398
Secured loans receivables	<b>12,595,017</b>	6,695,625
Provision for impairment of receivables	<b>(1,380,818)</b>	(1,347,884)
<b>Non-current net receivables</b>	<b>188,782,934</b>	121,234,139
<b>Receivables - group as lessor</b>	\$	\$
Commitments in relation to receivables as follows:		
Within one year	<b>128,525,589</b>	88,647,443
Later than one year but not later than five years	<b>267,019,199</b>	172,124,086
<b>Minimum lease receivable</b>	<b>395,544,788</b>	260,771,529
Unearned interest income	<b>(138,846,274)</b>	(93,320,896)
<b>Total net receivable assets</b>	<b>256,698,514</b>	167,450,633
Representing receivables:		
Current	<b>67,915,580</b>	46,216,494
Non-current	<b>188,782,934</b>	121,234,139
<b>Total net receivables</b>	<b>256,698,514</b>	167,450,633

## 9. Borrowings

	31-Dec-17	30-Jun-17
<b>Current borrowings:</b>	\$	\$
Secured		
Bank loans	<b>1,358,055</b>	-
<b>Total secured current borrowings</b>	<b>1,358,055</b>	-
<b>Non-current borrowings:</b>	\$	\$
Secured		
Bank loans	<b>137,461,255</b>	59,897,367
Subordinated notes	<b>77,873,547</b>	77,742,775
<b>Total secured non-current borrowings</b>	<b>215,334,802</b>	137,640,142

Axesstoday maintains a syndicated banking facility with Commonwealth Bank of Australia Limited and Macquarie Bank Limited (“the Syndicate”). On 16 October 2017, the Company amended its facility with the Syndicate by increasing the facility limit to \$175,000,000, an uplift of \$63,000,000.

The Syndicate has security over the following:

- Axesstoday Limited
- Axesstoday Operations Pty Ltd
- A.C.N. 603 303 126 Pty Ltd
- Axesstoday Retail Pty Ltd

### Secured Notes:

The Notes will be unconditionally and irrevocably guaranteed on a joint and several and secured basis by the Guarantors, subject to the release of such Guarantors and the addition of new entities as Guarantors as set out in the Note Trust Deed. The obligations of each Guarantor under the Guarantee will be obligations of that Guarantor secured by a general security agreement granted by that Guarantor in favor of the Security Trustee and will at all times rank equally among themselves and at least equally with all other direct, senior, secured and unconditional obligations of that Guarantor, and behind the Permitted Senior Debt and liabilities mandatorily preferred by law.

The Guarantors of the Notes are:

- Axesstoday Limited
- Axesstoday Operations Pty Ltd
- A.C.N. 603 303 126 Pty Ltd (Issuer)
- Axesstoday Retail Pty Ltd

**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 and third 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.

**10. Contributed Equity**

	31-Dec-17	30-Jun-17	31-Dec-17	30-Jun-17
<b>(a) Share capital</b>	shares	shares	\$	\$
Ordinary shares fully paid	<b>54,890,743</b>	46,150,704	<b>40,973,891</b>	28,371,168

<b>(b) Movements in ordinary share capital</b>		
	No. of shares	\$
Opening Balance 1 July 2016	24,100,000	4,501,000
Shares issued on 11 July 2016	3,000,000	2,990,713
Shares issued on 3 August 2016	500,000	500,000
Shares issued on 19 October 2016	100,000	-
Shares issued on 21 December 2016	10,000,000	8,929,455
<b>Closing balance 31 December 2016</b>	<b>37,700,000</b>	<b>16,921,168</b>
Opening Balance 1 July 2017	46,150,704	28,371,168
Shares issued on 13 October 2017	72,541	107,940
Shares issued on 25 October 2017	6,922,600	9,948,544
Shares issued on 23 November 2017	667,498	1,001,247
Shares issued on 29 November 2017	1,077,400	1,544,993
<b>Closing balance 31 December 2017</b>	<b>54,890,743</b>	<b>40,973,892</b>

The value of shares is shown net of transaction costs.

**(c) Ordinary shares**

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the group in proportion to the number of and amounts paid on the shares held.

On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

Ordinary shares have no par value and the Group does not have a limited amount of authorised capital.

## 11. Dividends

After 31 December 2017, the following dividends were announced by the company. The dividends have not been provided for and there are no income tax consequences.

<b>Dividend payment</b>	<b>Cents per share</b>	<b>Total amount</b>	<b>Payment date</b>
Final dividend - December 2017	<b>2.9</b>	<b>1,591,810</b>	<b>TBD</b>

## 12. Earnings per Share

	31-Dec-17	31-Dec-16
<b>(a) Basic earnings per share</b>	<b>cents</b>	<b>cents</b>
From continuing operations attributable to the ordinary equity holders of the company	<b>6.45</b>	5.78
From discontinued operation	-	-
Total basic earnings per share attributable to the ordinary equity holders of the company	<b>6.45</b>	5.78
<b>(b) Diluted earnings per share</b>	<b>cents</b>	<b>cents</b>
From continuing operations attributable to the ordinary equity holders of the company	<b>5.07</b>	4.87
From discontinued operation	-	-
Total basic earnings per share attributable to the ordinary equity holders of the company	<b>5.07</b>	4.87
<b>(c) Reconciliation of earnings used in calculating earnings per share</b>		
<b>Basic earnings per share</b>	<b>\$</b>	<b>\$</b>
Profit attributable to the ordinary equity holders of the company used in calculating basic earnings per share:		
From continuing operations	<b>3,166,884</b>	1,623,499
From discontinued operation	-	-
<b>Total</b>	<b>3,166,884</b>	1,623,499
<b>Diluted earnings per share</b>	<b>\$</b>	<b>\$</b>
Profit attributable to the ordinary equity holders of the company used in calculating basic earnings per share:		
From continuing operations	<b>3,166,884</b>	1,623,499
From discontinued operation	-	-
<b>Total</b>	<b>3,166,884</b>	1,623,499
<b>(d) Weighted average number of shares used as the denominator</b>		
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	<b>49,110,877</b>	28,071,347
Adjustments for calculation of diluted earnings per share:		
Performance shares	<b>13,401,978</b>	5,228,261
Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted earnings per share	<b>62,512,855</b>	33,299,608

### (e) Information concerning the classification of securities

Performance Shares (Tranche 1 and Tranche 2) will convert into Shares in the event the Performance Shares (Tranche 1 and Tranche 2) milestones are satisfied. 100% of the Performance Shares held by each Performance Shareholder will convert into Shares on the basis of one Share for every one Performance Share

### 13. Remuneration of auditors

Fees paid to our auditors in relation to IPO due diligence, debt advisory services and other immaterial non-audit services in the financial year ended 30 June 2017 were inadvertently omitted from note 25 of the 30 June 2017 financial statements. The disclosure for 2017 should have read as follows:

Audit and other assurance services	2017
	\$
Audit and other assurance services	
Audit and review of financial statements	<b>130,000</b>
Non-audit services	<b>349,000</b>
<b>Total remuneration for audit and other assurance services</b>	<b>479,000</b>

There was no impact on 2016 and hence these have not been restated.

### 14. Interests in other entities

#### Significant investments in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following principal subsidiaries:

Name of entity	Country	Class of shares	Equity holding **	
			2017	2016
<b>Axesstoday Operations Pty Ltd</b> (formerly A.C.N. 604 340 785 Pty Ltd)	Australia	Ordinary	100%	100%
<b>A.C.N. 603 303 126 Pty Ltd</b>	Australia	Ordinary	100%	100%
<b>Axesstoday Retail Pty Ltd</b> (formerly A.C.N. 161 130 696 Pty Ltd)	Australia	Ordinary	100%	100%
<b>1114604 BC Ltd</b>	Canada	Ordinary	100%	-

---

**Aksesstoday Limited**  
**Directors' declaration**

---

For the half-year ended 31 December 2017

---

In the Directors' opinion:

- I. the financial statements, comprising; the condensed consolidated statement of profit or loss, condensed consolidated statement of comprehensive income, condensed consolidated balance sheet, condensed consolidated statement of changes in equity, condensed consolidated statement of cash flows are in accordance with the Corporations Act 2001, including:
  - a. *(i) complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements, and*
  - b. *(ii) giving a true and fair view of the consolidated entity's financial position as at 31 December 2017 and of its performance for the half-year ended on that date; and*
- II. there are reasonable grounds to believe that Aksesstoday Limited will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Directors.

On behalf of the Board of Aksesstoday Limited



**Kerry Daly**  
Chairman

Melbourne  
12 February 2018



## **Independent auditor's review report to the members of Axsesstoday Limited**

### ***Report on the Half-Year Financial Report***

We have reviewed the accompanying half-year financial report of Axsesstoday Limited (the Company), which comprises the condensed consolidated statement of financial position as at 31 December 2017, the condensed consolidated statement of comprehensive income, condensed consolidated statement of profit or loss, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration for Axsesstoday Limited. The consolidated entity comprises the Company and the entities it controlled (together the Group) during that half-year.

### ***Directors' responsibility for the half-year financial report***

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

### ***Auditor's responsibility***

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Australian Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the consolidated entity's financial position as at 31 December 2017 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Axsesstoday Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report 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 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.

### ***Independence***

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

---

**PricewaterhouseCoopers, ABN 52 780 433 757**  
2 Riverside Quay, 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)

Liability limited by a scheme approved under Professional Standards Legislation.



## **Independent auditor's review report to the members of Axesstoday Limited (continued)**

### ***Report on the Half-Year Financial Report (continued)***

#### *Conclusion*

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Axesstoday Limited is not in accordance with the *Corporations Act 2001* including:

1. giving a true and fair view of the consolidated entity's financial position as at 31 December 2017 and of its performance for the half-year ended on that date;
2. complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

#### *Matters relating to the electronic presentation of the reviewed half-year financial report*

This review report relates to the half-year financial report of the Group for the half-year ended 31 December 2017 included on Axesstoday Limited's web site. The Group's directors are responsible for the integrity of the Axesstoday Limited web site. We have not been engaged to report on the integrity of this web site. The review report refers only to the statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the reviewed half-year financial report to confirm the information included in the reviewed half-year financial report presented on this web site.

A handwritten signature in black ink, appearing to read 'PricewaterhouseCoopers', written in a cursive style.

PricewaterhouseCoopers

A handwritten signature in black ink, appearing to read 'Daniel Rosenberg', written in a cursive style.

Daniel Rosenberg  
Partner

Melbourne  
12 February 2018