

2018 annual general meeting

26 October 2018

amaysim



Andrew Reitzer
Chairman

Board of directors



Peter O'Connell



Maria Martin



Jodie Sangster



Thorsten Kraemer

Appointment of new director



Goetz Maeuser

- Appointed Non-Executive Director, effective 26 October 2018
- Extensive international experience, both as an advisor and director of private and listed businesses in the technology and media sectors.
- Chairman of Max 21 AG, a listed technology company on the Frankfurt Stock Exchange that operates in the Post and Mail Management and IT Security sectors, and has held this position since July 2015
- Member of Board of Directors of PSquared Asset Management AG, Zürich
- Prior experience includes:
 - Partner in private equity firm Permira Advisers Ltd focused on a broad range of sectors including industrials, consumer, healthcare and telecommunications, media and technology sectors
 - Member of the supervisory board and served more than four years as chairman of MDAX-listed ProSiebenSat.1 Media AG, the leading German entertainment player with a strong e-commerce business

2018 annual general meeting

26 October 2018

amaysim



Peter O'Connell
CEO and Managing Director



We are an asset-light
utility service provider,
focusing on mobile and
energy and delivering
excellent customer service

FY18 Group financial performance

\$577.6m

+76.8%

**statutory net
revenue**

\$37.6m

+11.0%

statutory EBITDA

\$47.8m

+9.8%

underlying EBITDA



1,158k

mobile

+7.8% ▲



191k

energy

+15.9% ▲



15k

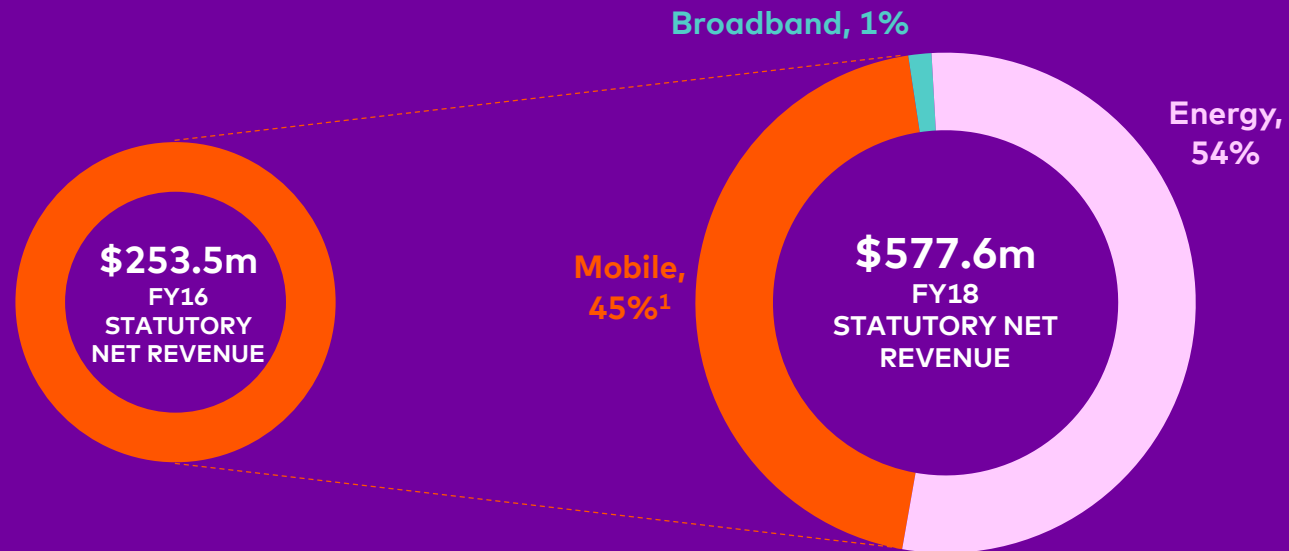
broadband

+196.0%▲

amaysim is an asset light, telco and energy provider

Energy is now a significant proportion of the business

Statutory net revenue composition
FY18 v FY16

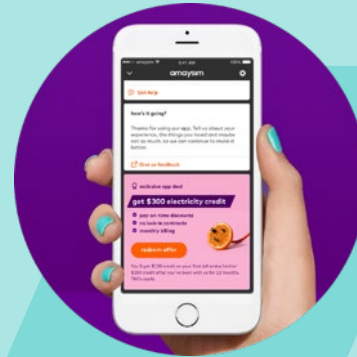


1. Includes FY18 devices statutory net revenue of \$17.4m

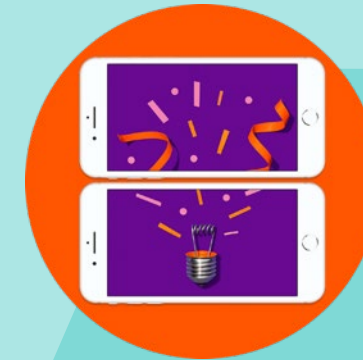
2018 achievements



Won awards for Australia's best Virtual Network Operator, best mobile plans and customer experience^{1,2,3,4}



Launched cross-sell feature in the amaysim app in May 2018



Trialed 400+ cross-sell campaigns in FY18



Strategically broadened the mobile portfolio in Jul & Nov 2017 and launched amaysim's "Small But Mighty" \$10 mobile plan



Doubled brand awareness with our 'Just What You Need' marketing campaign in Nov 2017 & Feb 2018



Launched amaysim energy plans in Oct 2017

1. amaysim won 'Best Virtual Network Operator' at the CommsDay Edison 2018 Awards for the second year running
2. amaysim won the 2017 Canstar Blue award for Most Satisfied Customers – Mobile SIM Only; the fifth such award since 2013 (Canstar Blue Most Satisfied Customers – Prepaid Mobile Services award in 2013 & 2014; Canstar Blue Most Satisfied Customers – Mobile Phone Plan Providers in 2014; Canstar Blue Most Satisfied Customers – Mobile SIM Only Postpaid in 2016 & 2017)
3. amaysim won two gold Money Magazine Best of the Best 2018 awards (Best Value Prepaid Mobile Plan (Low Usage) category for its \$10 UNLIMITED 1GB mobile plan; Best Value Mobile Plan in the International Calls category for its \$30 5GB plan)
4. amaysim won Roy Morgan's Australian Customer Satisfaction Award for Mobile Phone Service Provider of the Year 2017; the third such award in the past five years

amaysim's strategy to deliver shareholder value

Our vision

To be Australia's best customer focused utilities provider

Strategic pillars

Defend and grow mobile

Disrupt retail energy

Expand into other aligned services and segments

Extend technology platforms to enhance speed to deploy additional services

Refine and sharpen our marketing capabilities

Strategic priorities

Cross-sell, up-sell and focus on quality customer relationships

Expand and improve product range across mobile and energy

Enter one new segment or market, including energy/mobile B2B, organically or via M&A

Unify the sales funnels and invest in tech stack to deploy additional services

Add features available in the amaysim mobile app

Enhance analytics capabilities to deliver insights that will drive customer value

Optimise operating costs, remaining lean and agile

Our values



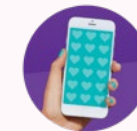
agility



simplicity



reliability



empathy

FY19 priorities

The management team and Board are focused on maximising shareholder returns by:

- defending and growing the mobile business
- disrupting retail energy and continuing to grow amaysim energy and Click's existing channels
- discontinuing devices
- exiting broadband

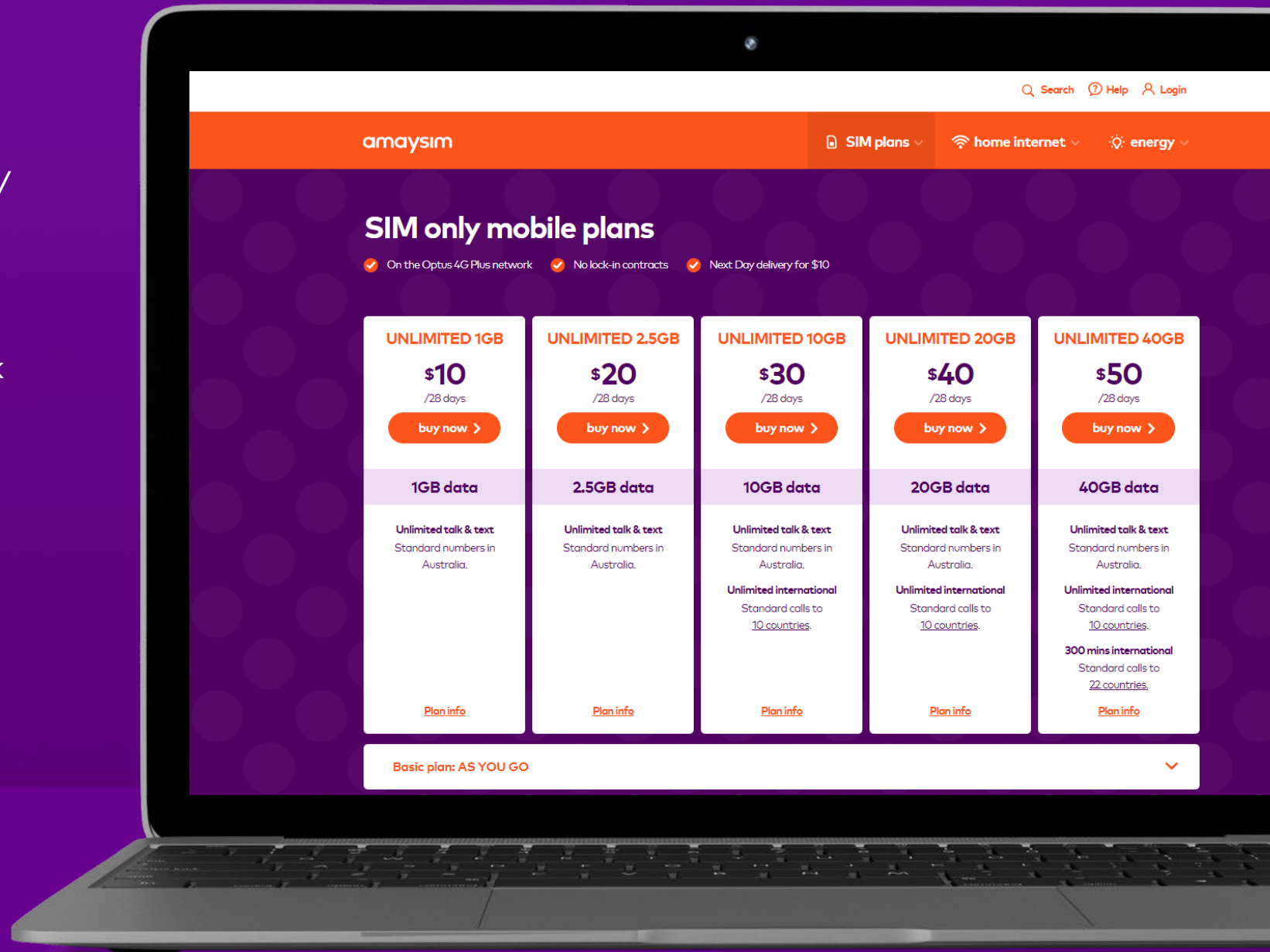




Mobile

- Launched updates to our \$30 / \$40 / \$50 UNLIMITED mobile plans with the \$50 plan now offering a huge 40GB of data (a 20GB boost) and is amaysim's best valued unlimited talk and text mobile plan ever
- Continuing to give customers what they need at a great, non-promotional price and maintaining strong customer satisfaction¹

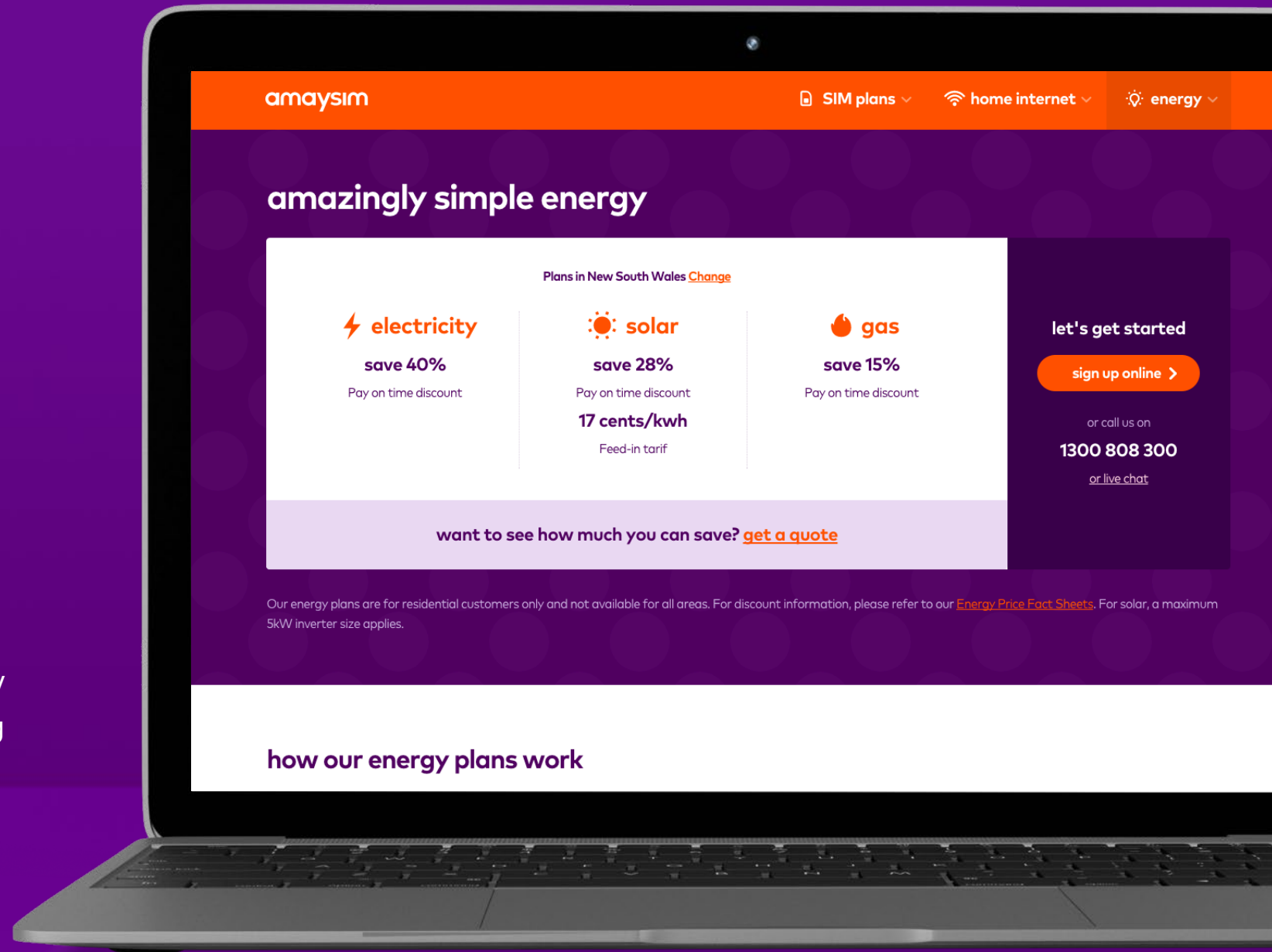
1. amaysim recorded one of the lowest levels of complaints in the industry with 1.0 complaint per 10,000 customers (Telecommunications Complaints in Context, April – June 2018. Applies only to amaysim brand) and maintained a high customer referral rate of 90% (NPS tracking survey of 1,706 customers, May 2018)





Energy

- Launched amaysim energy in Oct 2017
- Strong FY18 growth of 15.9% (26k accounts) in energy subscribers with solid uptake of amaysim energy to both existing amaysim mobile subscribers and new subscribers
- Cross-sell activity progressively increased through 2H18 with multiple campaigns executed. We now have a clear understanding how customers view particular marketing offers and their conversion journey

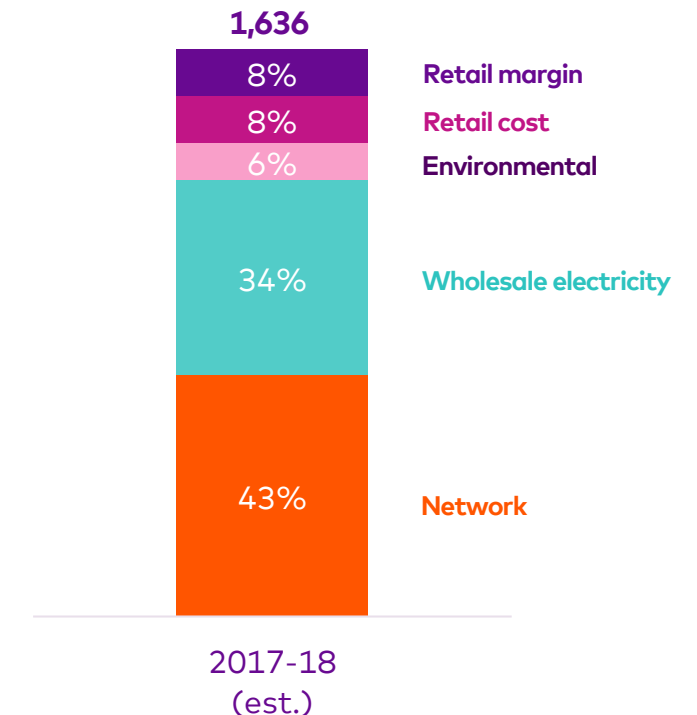




Energy

- The Australian energy market is 'broken' and needs to be reset
- Customers are confused and disenfranchised due to political rhetoric without policy outcomes, opaque product constructs, slow switching times and barriers to churn, and no access to data to better understand their usage
 - A large proportion of Australian's believe high power prices are due to privatisation¹
 - The retail component of an average residential customer's energy bill is ~16% and retail margin only represents ~8%²
- There is a big opportunity to remove complexity from the market and provide a new and better customer experience
- amaysim is looking to disrupt energy by launching a new customer focused energy product in 2H19 that is simple and transparent and aligned to the amaysim model and values

Average residential customer bill 2017-18²
\$/customer



1. 54% of respondents rated privatization as one of the two biggest contributors to increased power prices respondents ranked privatisation as the first or second biggest cost factor, followed by government (47%), profiteering (39%), networks (32%) and renewables (28%). **Source:** Australian Institution for Progress 2018, *Electricity generation, issues and voting intention, February 2018*, viewed October 2018 <https://aip.asn.au/wp-content/uploads/2018/10/Polling_Report_Power_Generation_18_03_20.pdf>

2. **Source:** Australian Competition & Consumer Commission 2018, *Restoring electricity affordability and Australia's competitive advantage*

Update on broadband

- The company has entered into an Asset Sale Deed with Southern Phone Company Ltd to sell its fixed line broadband customer base
- Purchase price of ~\$3 million¹, payable in two tranches and subject to a number of conditions typically applied in respect of transactions of this nature
- Sale is expected to complete by the end of October 2018
- The exit of broadband will enable the company to simplify its operating structure, defend and grow its core mobile and energy businesses, and invest in its technology platforms
- A non-cash impairment of ~\$7 million pre-tax and write down of the carrying value of the broadband assets to zero²

1. The final consideration will be adjusted for certain purchase price adjustments

2. The impairment charge will be finalised after the transaction completes and will be removed from underlying performance in the results for the 2019 financial year

FY19 outlook

	FY19 underlying EBITDA drivers announced at 2018 full year results, August 2018		Update based on industry developments and performance of the business to date
Energy	<ul style="list-style-type: none"> Continued earnings growth in energy whilst we closely monitor the government's response to the ACCC electricity pricing inquiry and finalisation of the National Energy Guarantee 	➤	<ul style="list-style-type: none"> Continued earnings growth in energy, albeit at a more modest pace Preparing the business for industry changes and shifting focus to launch a new energy product in 2H19
Mobile	<ul style="list-style-type: none"> Competition to continue to put pressure on mobile ARPU and margins despite mobile subscriber growth 	➤	<ul style="list-style-type: none"> Intense competition continuing to pressure performance in mobile Launched updates to \$30 / \$40 / \$50 plans in Oct 2018 to remain competitive Ongoing wholesale negotiations to improve wholesale margins and our competitiveness
Devices & Broadband	<ul style="list-style-type: none"> Discontinuation of the devices business Review of the broadband business 	➤	<ul style="list-style-type: none"> Devices business has been closed Broadband business is being sold
Operating expenses	<ul style="list-style-type: none"> Reduction in operating costs driven by simplification of the Group's structure and disciplined cost management 	➤	<ul style="list-style-type: none"> Implemented new operating structure and ongoing focus on cost management

Important notice and disclaimer

This presentation includes information about the activities of amaysim Australia Limited ("amaysim") which is current as at 26 October 2018. It is in summary form only and is not intended or represented to be complete. No representation, express or implied, is made as to the fairness, accuracy, completeness or correctness of information contained in this presentation. Please read this presentation in conjunction with amaysim's other periodic and continuous disclosure announcements filed with the ASX. These are available at www.amaysim.com.au.

Forward-looking statements

This presentation includes certain forward-looking statements that are based on amaysim's current views and assumptions as well as information known to date, and are subject to various risks and uncertainties. Forward-looking statements can be identified by the use of terminology such as "intend", "aim", "anticipate", "estimate", "plan", "believes", "expects", "target", "may", "should", "will", "objectives", "continue" or similar expressions. Actual results, performance or achievements could be significantly different from those expressed in, or implied by, these forward-looking statements. These forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond amaysim's control. These factors may cause actual results to differ materially from those expressed in or implied by this presentation. Past performance is not necessarily a guide to future performance and no representation or warranty is made by any person as to the likelihood of achievement or reasonableness of any forward looking statements, forecast financial information or other forecast.

To the maximum extent permitted by law, amaysim and its related bodies corporate, directors, officers, employees and agents disclaim and do not assume any obligation or undertaking to release any updates or revisions to the information in this presentation to reflect any change in expectation or assumptions, and disclaim all responsibility and liability for any loss arising from use or reliance on this presentation or its content (including, without limitation, liability for fault or negligence).

Market share information

All market share information in this presentation is based on management estimates and internally available information, unless otherwise indicated.

Currency

All amounts in this presentation are in Australian dollars unless otherwise stated.

No offer of securities

Nothing in this presentation should be construed as either an offer to sell or a solicitation of an offer to buy or sell amaysim securities in any jurisdiction, or be treated or relied upon as a recommendation or advice by amaysim.

Reliance on third party information

The views expressed in this presentation contain information that has been derived from publicly available sources that have not been independently verified. No representation or warranty is made as to the accuracy, completeness or reliability of the information.

Statutory, proforma and underlying information

Statutory information is based on audited financial statements. "Proforma" and "underlying" financial information has not been audited or reviewed. amaysim uses certain measures to manage and report on business performance that are not recognised under Australian Accounting Standards ("non-IFRS financial measures"). These non-IFRS financial measures that are referred to in this presentation include without limitation the following:

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

Although the directors of amaysim believe that these measures provide useful information about the financial performance of amaysim, they should be considered as indications or supplements to those measures that have been presented in accordance with the Australian Accounting Standards and not as a replacement for them. Because these non-IFRS financial measures are not based on Australian Accounting Standards, they do not have standard definitions, and the way amaysim has calculated these measures may differ from similarly titled measures used by other companies. Readers should therefore not place undue reliance on these non-IFRS financial measures.

amaysim