

amaysim Australia Ltd

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ABN: 65 143 613 478

22 February 2021

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

Interim Report for the half year ended 31 December 2020

Dear Sir / Madam

In accordance with the Listing Rules, please find enclosed amaysim Australia Limited's (ASX: AYS) interim report for the financial year 2021.

Authorised by:

Alexander Feldman

amaysim | Chief Strategy Officer, General Counsel & Company Secretary

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amaysim Australia Limited

Interim report for the half year ended
31 December 2020

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

Preliminary final report for the half-year ended 31 December 2020.

This Appendix 4D should be read in conjunction with the consolidated financial statements and accompanying notes to the accounts.

RESULTS FOR ANNOUNCEMENT TO THE MARKET	31 December	31 December	Up/(down)	Movement %
	2020	2019		
	\$'000	\$'000		
Net profit after tax from discontinued operations	6,524	3,958	2,566	65%
Total net profit after tax attributable to members of the Group	6,524	3,958	2,566	65%
Discontinued Operations:				
Revenue from ordinary activities	227,946	244,589	(16,643)	(7%)

COMMENTS

On 30 September 2020, the Group sold its Energy business to AGL, which represented the disposal of the entirety of the Energy segment.

On 2 November 2020, the Group announced the decision to sell its Mobile business to its long term strategic partner, Optus Mobile Pty Limited. This sale was conditional on shareholder approval which was obtained on 21 January 2021 and the sale was completed on 1 February 2021.

No dividends have been declared for the financial period ended 31 December 2020.

NET TANGIBLE ASSETS	31 December 2020	30 June 2020
Net tangible assets per security	\$0.06	(\$0.38)

Net tangible assets is calculated based on net assets excluding intangibles, right-of-use assets and deferred tax asset.

This Appendix 4D report is based on the Interim Financial Report for the period ended 31 December 2020 that has been reviewed by Ernst & Young (EY).

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Directors' Report

Directors and Company Secretary

The directors present their report, together with the financial statements of amaysim Australia Limited (amaysim or the Company) and its subsidiaries (together referred to as the Group) for the half-year ended 31 December 2020.

The directors of the Group during the period and up to the date of this report are shown below.

- Andrew Reitzer Chairman and Independent Non-Executive Director
- Peter O'Connell Chief Executive Officer and Managing Director
- Jodie Sangster Independent Non-Executive Director
- Goetz Maeuser Independent Non-Executive Director
- Craig Jackson Independent Non-Executive Director
- Rupert Greenhough Independent Non-Executive Director

Alex Feldman holds the position of Chief Strategy Officer and General Counsel and has been the Company Secretary since August 2015.

Principal activities

During the period, the Group sold its Energy business to AGL, with the sale completing on 30 September 2020. Prior to the sale, the Group's activities included providing energy plans to a subscriber base of over 200k.

In November 2020, the Company announced it had entered into a share sale agreement for the sale of its Mobile business to Optus. The sale received shareholder approval at the Extraordinary General Meeting on 21 January 2021 and completed on 1 February 2021, and as such the Company disposed of its main undertaking pursuant to Listing Rule 11.2.

During the six-month period to 31 December 2020, the Company provided mobile plans to a subscriber base of over 1.2 million.

Review of operations

Early in 2020, amaysim commenced a strategic review of its business to unlock and maximise shareholder value.

On 31 August 2020, the Company announced the sale of its energy business to AGL for all cash consideration of \$115 million, the transaction completed on 30 September 2020 and amaysim became a pure-play mobile business.

At this time, amaysim had also commenced a tender process for its wholesale mobile network supply contract. During this process it also received unsolicited expressions of interest in relation to the Mobile business.

The Board considered its strategic options including the well-advanced tender submissions on foot. The Board determined that the offer from Optus to acquire the

Mobile business for \$250 million was in the best interests of shareholders and superior to other interest in the business, including the value that the tender submissions in progress were expected to deliver.

Given that the sale of the Mobile business to a strategic acquirer (a network operator) and the entry into a long-term wholesale contract with a network operator were mutually exclusive outcomes, the tender process was paused and the offer from Optus was put to shareholders.

The Optus offer was to acquire the assets and systems required to continue to run the Mobile business and not the share capital in the listed entity, amaysim Australia Limited. As a result of the sale to Optus, the Company has now disposed of its main undertaking.

The half year results for the six month period to 31 December 2020 comprise of Energy, being a discontinued operation, and Mobile that is considered a discontinued operation held for sale during the period.

Net Profit After Tax (NPAT)

Mobile NPAT was \$1,784k and Energy NPAT was \$4,740k resulting in Group NPAT of \$6,524 for the half year ended 31 December 2020 for both discontinued operations. NPAT has increased by \$2,566k, or 65%, compared to the half year ended 31 December 2019.

Refer to the following sections in relation to additional financial information provided.

Next steps and outlook

Following the sale of the energy business in September 2020 and the completion of the sale of the Mobile business on 1 February 2021 the Board's focus is to encourage shareholders to accept the WAM offer, to complete the distribution of the proceeds to shareholders (as outlined in the Notice of Meeting) and to wind-up and de-list the Company with de-listing expected to occur on 31 March 2021.

Following the sale of Mobile to Optus, the business' main asset is a material cash balance (following costs associated with the transaction) and the Company is currently subject to an unconditional off-market takeover offer from WAM Capital Limited (ASX:WAM).

The Company intends to pay Distributions as outlined in the Notice of Meeting with the Major Distribution to be paid in April 2021 and the Final Distribution expected on or around October 2021.

WAM offered shareholders the option to receive cash; scrip/shares in WAM; or a combination of both as payment for their shares in amaysim Australia Limited. The WAM Offer opened and became unconditional on completion of the sale of the Mobile business to Optus. On 11 February 2021 WAM acquired a controlling stake in the Company and as at 19 February 2021 WAM's holding was 56.67%.

Auditor's 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.

Rounding of amounts

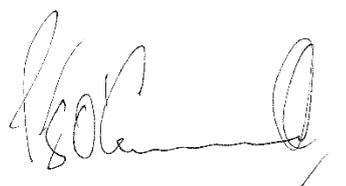
The amounts contained in this report and in the financial report have been rounded under the option available to the group under ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191.

The group is an entity to which the Class Order applies, and in accordance with the Class Order, amounts in the Directors' Report and the Financial Report have been rounded to the nearest thousand dollars (where rounding is appropriate), or in certain cases, to the nearest dollar.

This report is made in accordance with a resolution of directors.



Andrew Reitzer
Chairman and Independent Non-executive director



Peter O'Connell
Chief Executive Officer and Managing Director

22 February 2021

Auditors independence declaration



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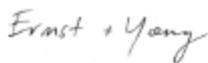
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Auditor's independence declaration to the directors of amaysim Australia Ltd

As lead auditor for the review of the half-year financial report of amaysim Australia Ltd for the half-year ended 31 December 2020, I declare 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 amaysim Australia Ltd and the entities it controlled during the financial period.


Ernst & Young


John Robinson
Partner
22 February 2021

Consolidated statement of comprehensive income

For the half year ended	Notes	31 December 2020 \$'000	31 December 2019 (i) \$'000
Profit from discontinued operations, after tax	6	6,524	3,958
Profit for the period		6,524	3,958
Profit attributable to members of amaysim Australia Ltd		6,524	3,958
		cents	cents
EPS for profit from discontinued operations attributable to the ordinary equity holders of amaysim Australia Ltd			
Basic earnings per share		2.21	1.34
Diluted earnings per share		2.06	1.27
Other comprehensive income for the year			
<i>Items that may subsequently reclassify to profit or loss</i>			
(Loss)/Gain in fair value of cash flow hedges		19,012	(2,579)
Income tax relating to cash flow hedges		66	774
Exchange differences on translation of foreign operations		(20)	47
Other comprehensive income/(loss) for the period net of tax		19,058	(1,758)
Total comprehensive profit attributable to members of amaysim Australia Ltd		25,582	2,200

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

During the period, the energy operating segment was sold to AGL and considered a discontinued operation at 31 December 2020 and the mobile operating segment was considered a discontinued operation held for sale due to the sale of the mobile operating segment to Optus that was completed 1 February 2021. Refer to Note 6 and 11 for further information.

(i) As this consolidated statement of comprehensive income is shown on a discontinued operations basis, the comparative figures have been restated to show the mobile and energy operating segments as being discontinued. For further information of the discontinued operations refer to Note 6.

Consolidated balance sheet

As at	Notes	31 December 2020 \$'000	30 June 2020 \$'000
CURRENT ASSETS			
Cash and cash equivalents		49,271	45,015
Trade receivables		1,054	44,942
Prepayments		-	19,718
Other current assets		1,040	1,626
Net investment in sublease		355	811
Current tax assets		95	-
Assets held for sale	6(d)	111,702	-
Total current assets		163,517	112,112
NON-CURRENT ASSETS			
Intangible assets		-	192,295
Property, plant and equipment		6,424	11,726
Derivative financial instruments		-	422
Deferred tax assets		12,905	8,740
Other non-current assets		560	652
Total non-current assets		19,889	213,835
TOTAL ASSETS		183,406	325,947
CURRENT LIABILITIES			
Trade and other payables		30,640	92,018
Deferred revenue		-	10,128
Provisions		5,356	10,236
Lease liabilities		1,822	3,641
Derivative financial instruments		219	25,689
Customer deposits		-	2,590
Other current liabilities		887	3,143
Current tax liabilities		-	875
Liabilities held for sale	6(d)	16,965	-
Total current liabilities		55,889	148,320
NON-CURRENT LIABILITIES			
Borrowings	7	59	76,550
Lease liabilities		3,113	5,410
Other non-current liabilities		1,674	1,799
Provisions		-	1,658
Derivative financial instruments		-	2,659
Total non-current liabilities		4,846	88,076
TOTAL LIABILITIES		60,735	236,396
NET ASSETS		122,671	89,551
EQUITY			
Contributed equity	8(a)	167,163	167,163
Other Equity	8(b)	(1,558)	(2,046)
Equity compensation reserve		3,096	(3,954)
Cashflow hedge reserve		(154)	(19,232)
Foreign currency translation reserve		48	68
Retained profits		18,047	11,523
Accumulated losses (prior years)		(63,971)	(63,971)
TOTAL EQUITY		122,671	89,551

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

During the period, the energy operating segment was sold to AGL and considered a discontinued operation at 31 December 2020 and the mobile operating segment was considered a discontinued operation held for sale due to the sale of the mobile operating segment to Optus that was completed 1 February 2021. Refer to Note 6 and 11 for further information.

Consolidated statement of changes in equity

For the half year ended	Notes	Contributed equity	Equity compensation reserve	Other Equity	Cash flow hedge reserve	Foreign currency translation reserve	Retained earnings / (Accumulated losses)	Total
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Opening Balance at 1 July 2019		167,163	(8,383)	-	1,073	115	(53,370)	106,598
Profit after tax for the period		-	-	-	-	-	3,958	3,958
Other comprehensive income		-	-	-	(1,805)	47	-	(1,758)
Total comprehensive income for the period		-	-	-	(1,805)	47	3,958	2,200
Transactions with owners in their capacity as owners:								
Acquisition of Treasury Shares	8(b)	-	-	(2,012)	-	-	-	(2,012)
Dividends paid	5	-	-	-	-	-	-	-
Share based payments expense	9(a)	-	2,026	-	-	-	-	2,026
Closing Balance at 31 December 2019		167,163	(6,357)	(2,012)	(732)	162	(49,412)	108,812
Balance at 1 July 2020		167,163	(3,954)	(2,046)	(19,232)	68	(52,448)	89,551
Profit after tax for the period		-	-	-	-	-	6,524	6,524
Other comprehensive income		-	-	-	19,078	(20)	-	19,058
Total comprehensive income for the period		-	-	-	19,078	(20)	6,524	25,582
Transactions with owners in their capacity as owners:								
Utilisation of Treasury Shares	8(b)	-	(488)	488	-	-	-	-
Dividends paid	5	-	-	-	-	-	-	-
Share based payments expense	9(a)	-	7,433	-	-	-	-	7,433
Deferred tax related to share based payments expense		-	105	-	-	-	-	105
Closing Balance at 31 December 2020		167,163	3,096	(1,558)	(154)	48	(45,924)	122,671

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

During the period, the energy operating segment was sold to AGL and considered a discontinued operation at 31 December 2020 and the mobile operating segment was considered a discontinued operation held for sale due to the sale of the mobile operating segment to Optus that was completed 1 February 2021. Refer to Note 6 and 11 for further information.

Consolidated statement of cashflows

For the half year ended	Notes	31 December 2020 \$'000	31 December 2019 \$'000
Cash flows from operating activities			
Receipts from customers (incl. of GST)		223,874	280,200
Payments to suppliers and employees (incl. of GST)		(244,989)	(262,532)
Income tax paid		(434)	(460)
Finance expenses		(1,848)	(1,709)
Interest received		107	230
Net cash (outflows)/inflows from operating activities		(23,290)	15,729
Cash flows from investing activities			
Payment for the acquisition of subsidiary, net of cash acquired	10	-	(7,770)
Proceeds from the sale of energy	6	108,537	-
Payments for property, plant and equipment		(413)	(142)
Payments for intangible assets		(3,126)	(3,156)
Decrease in security deposits and bank guarantees		150	154
Principal payments from sublease		415	246
Net cash inflows/(outflows) from investing activities		105,563	(10,668)
Cash flows from financing activities			
Principal payments of lease liabilities		(1,467)	(1,838)
Purchase for shares acquired by Amaysim Equity Plans Trust	8(b)	-	(2,012)
Repayment of borrowings	7	(76,550)	-
Proceeds from borrowings		-	7,800
Net cash (outflows)/inflows from financing activities		(78,017)	3,950
Net increase in cash and cash equivalents		4,256	9,011
Cash and cash equivalents at the beginning of the financial period		45,015	30,651
Cash and cash equivalents at end of period		49,271	39,662

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

During the period, the energy operating segment was sold to AGL and considered a discontinued operation at 31 December 2020 and the mobile operating segment was considered a discontinued operation held for sale due to the sale of the mobile operating segment to Optus that was completed 1 February 2021. Refer to Note 6 and 11 for further information.

Notes to the consolidated financial statements For the half year ended 31 December 2020

1. Basis of preparation

This condensed consolidated interim Financial Report for the half-year reporting period ended 31 December 2020 has been prepared in accordance with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Act 2001.

This condensed consolidated interim Financial Report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2020 and any public announcements made by amaysim Australia Limited during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The interim Financial Report is prepared in accordance with the historical cost convention, except for financial instruments which are recorded at fair value.

During the period, the Group sold the Energy business to AGL, which represented the disposal of the entirety of the Energy segment and Energy CGU. Refer to Note 6 for further information on this discontinued operation.

On 2 November 2020, the Group announced the decision to sell its Mobile business to its long term strategic partner, Optus Mobile Pty Limited. This sale was conditional on shareholder approval which was obtained on 21 January 2021 and the sale was completed on 1 February 2021. As a result of this, it is expected that the Group will conclude operations prior to 30 June 2021. As a result of this sale at 31 December 2020 there are assets and liabilities on the balance sheet that are classified as held for sale, a breakdown of these assets and liabilities that are held for sale can be found in Note 6(d).

Except as noted above the accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

During the prior half year period ended 31 December 2019, the Group acquired Jeenee Communications Pty Ltd ("Jeenee"), a privately-owned mobile virtual network provider (MVNO). Refer to Note 10 for the finalised acquisition accounting.

Rounding

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

New and amended standards adopted by the Group

There have been no new or amended standards that are material that have been adopted by the Group.

Significant accounting judgement, estimates and assumptions

In preparing its half-year financial report, the Group has used significant judgements and estimates. These are consistent with those applied in the Group's 2020 Annual Report.

2 Operating Segments

(a) Description of segments

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

The CODM primarily uses the Underlying EBITDA (earnings before interest, tax, depreciation, amortisation and impairment) to assess the performance of the operating segment. Underlying EBITDA has been calculated from statutory data and excludes the impact of any acquisition related expenses and restructure expenses.

There are no continuing operating segments at 31 December 2020 as a result of Energy being discontinued during the half year period and the sale of Mobile to Optus completing on 1 February 2021 under the Share Sale Agreement that was entered into on 2 November 2020. Refer to Note 6 for further details on the discontinued operations and Note 11 for further details on the sale of the Mobile operating segment.

The two discontinued operating segments are:

- Mobile: includes services provided to amaysim, Vaya, Jeenee and OVO customers.
- Energy: services provided to customers for electricity and gas, since acquisition of Click Energy on 1 May 2017.

Refer to Note 6 for further Information on these two discontinued operating segments.

3 Disaggregated revenue

The Group derived the following types of revenue:

For the half year ended	31 December 2020	31 December 2019
	\$'000	\$'000
Subscription revenue (i)	108,834	87,723
As You Go	2,626	2,529
Other Mobile revenue	968	1,079
Mobile revenue	112,428	91,331
Electricity	62,659	117,076
Gas	23,036	35,443
Other Energy revenue	2,303	509
Energy revenue	87,998	153,028
Total revenue	200,426	244,359

(i) includes unlimited, data plans, Vaya, Jeenee and OVO revenue.

At 31 December 2020, both operating segments were deemed to be discontinued operations with the Energy operating segment being sold on 30 September 2020 and a share sale agreement for the Mobile operating segment being entered into on 2 November 2020 with the completion of the sale on the 1 February 2021. The revenue shown for Energy is for the 3 month period ending 30 September 2020 and Mobile revenue is for the 6 month period ending 31 December 2020. Refer to Note 6 for further information on the discontinued operations.

4 Income tax

For the half year ended	31 December 2020 \$'000	31 December 2019 \$'000
a) Income tax (benefit)/expense		
Current tax	1	547
Deferred tax	(19,850)	1,015
Prior year under/(over) provision	(175)	(97)
Total income tax (benefit)/expense	(20,024)	1,465
Income tax (benefit)/expense is attributable to:		
(Loss)/profit from discontinued operations (Note 6)	(20,024)	1,465
Total	(20,024)	1,465
Deferred income tax		
(Increase)/decrease in deferred tax assets	(13,811)	1,924
(Decrease)/increase in deferred tax liabilities	(6,039)	-
Total deferred tax expense	(19,850)	1,924

5 Dividends

No dividends have been paid during the half year ended 31 December 2020. No further dividends have been declared for the half year ended 31 December 2020 (31 December 2019: nil).

Post-completion of the sale of the Mobile operating segment to Optus, amaysim will distribute proceeds to shareholders in three tranches with one tranche to include a payment by way of a dividend. Refer to Note 11 for further information.

6 Discontinued Operations

(a) Description

On 2 November 2020, the Group announced the decision to sell its Mobile business to its long-term strategic wholesale partner, Optus Mobile Pty Limited. The sale was conditional on shareholder approval which was received on 21 January 2021 and the sale was completed on 1 February 2021. As at 31 December 2020, this segment was treated as held for sale.

On the 31 August 2020, the Group announced the decision to sell its Energy business to AGL Energy Limited (AGL) and to discontinue the business. The transaction was completed on 30 September 2020 and all Energy customers migrated onto AGL's platform.

On 26 October 2018, the Group announced the decision to sell its Broadband customer base to Southern Phone Company Limited and to discontinue the business. The transaction was completed on 29 October 2018 with the migration of all Broadband customers onto Southern Phone's platform completed by April 2019.

On 27 August 2018, the Group announced the decision to discontinue devices; the cash generating unit (CGU) has been reported as a discontinued operation.

(b) Financial Performance and Cash Flow Information

The financial performance and cash flow information presented reflects the operations for Energy and Mobile for the half-year ended 31 December 2020 and the comparative information for half-year ended 31 December 2019.

For half year ended 31 December 2020	Energy \$'000	Mobile \$'000	Total \$'000
Revenue	88,381	112,428	200,809
Operating Expenses	(85,166)	(127,605)	(212,771)
Expenses from the cessation of trade	(2,454)	(1,537)	(3,991)
Profit/(loss) before income tax of discontinued operations	761	(16,714)	(15,953)
Income tax benefit	5,682	18,498	24,180
Profit after income tax of discontinued operations	6,443	1,784	8,227
Gain on disposal of discontinued operation (Refer to Note c below)	2,453	-	2,453
Income tax expense from disposal	(4,156)	-	(4,156)
Gain on disposal of discontinued operation after tax	(1,703)	-	(1,703)
Gain from discontinued operation	4,740	1,784	6,524
Net cash outflow from operating activities	(2,059)	(21,231)	(23,290)
Net cash inflow/(outflow) from investing activities	108,537	(2,973)	105,564
Net cash outflow from financing activities	(31,677)	(46,340)	(78,017)
Net cash (decrease)/increase generated by discontinued operations	74,801	(70,544)	4,257

For half year ended 31 December 2019	Devices \$'000	Broadband \$'000	Energy \$'000	Mobile \$'000	Total \$'000
Revenue	-	-	153,207	91,382	244,589
Operating Expenses	-	-	(143,657)	(95,842)	(239,499)
Expenses from the cessation of trade (i)	170	163	-	-	333
Profit/(loss) before income tax of discontinued operation	170	163	9,550	(4,460)	5,423
Income tax expense	(51)	(49)	(2,711)	1,346	(1,465)
Profit/(loss) from discontinued operation	119	114	6,839	(3,114)	3,958
Net cash (outflow)/inflow from operating activities	(154)	(36)	14,224	1,501	15,535
Net cash outflow from investing activities	-	-	(1,767)	(8,901)	(10,668)
Net cash (outflow)/inflow from financing activities	-	-	(1,121)	5,071	3,950
Net cash (decrease)/increase generated by discontinued operations	(154)	(36)	11,336	(2,329)	8,817

(i) Expenses from the cessation of trade relate to release of provisions raised during year ended 30 June 2019.

(c) Details from sale of discontinued operations

The consideration received relates to the sale of the Energy business to AGL during the half-year ended 31 December 2020.

For half year ended 31 December 2020	Energy \$'000
Consideration received or receivable:	
Cash	115,790
Cash adjustment for working capital adjustments	(7,253)
Total consideration	108,537
Transaction costs	(8,212)
Carrying Value of Net (assets)/liabilities disposed of	(97,872)
Gain on sale before income tax	2,453
Income tax expense on gain	(736)
Profit on disposal of discontinued operation before tax	1,717

The carrying value of assets and liabilities as at 30 September 2020 date of sale are outlined below:

As at 30 September 2020	Energy
Assets disposed of	
Cash and cash equivalents	4,751
Trade Receivables	35,396
Derivative financial instruments	75
Current tax asset	-
Other current assets	1,547
Property, plant and equipment	1,782
Intangibles	105,191
Other non-current assets	23,660
Total assets of disposal group	172,402
Liabilities disposed of	
Trade and other payables	48,131
Customer deposits	694
Deferred revenue	98
Borrowings	-
Derivative financial instruments	17,302
Provisions	2,631
Current tax liabilities	1,333
Deferred tax liabilities	4,341
Total liabilities of disposal group	74,530
Net assets of disposal group	97,872

(d) Assets and liabilities of disposal group classified as held for sale

The following assets and liabilities were reclassified as held for sale in relation to the discontinued operations as at 31 December 2020:

For half year ended 31 December 2020	Mobile \$'000
Assets classified as held for sale	
Trade Receivables	3,217
Prepayments	19,242
Other assets	13
Property, plant and equipment	1,104
Intangibles	83,504
Deferred tax asset	4,622
Total assets of disposal group held for sale	111,702
Liabilities classified as held for sale	
Trade and other payables	471
Customer deposits	1,425
Deferred revenue	11,018
Provisions	3,276
Lease liabilities	775
Total liabilities of disposal group held for sale	16,965
Net assets	94,737

7 Borrowings

As at	31 December 2020 \$'000	30 June 2020 \$'000
Non current		
Bank loans	500	77,050
Capitalised Borrowing Costs	(441)	(500)
Total borrowings	59	76,550

Accounting Policies

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

Syndicated Loan Facility

(i) Syndicated Facility

In September 2020, the Group amended the Syndicated loan facility ("Facility") with the Commonwealth Bank of Australia and Westpac Banking Corporation by repaying \$53.05 million of debt due to the sale of the Energy business. The amended facility limit is \$43 million with a \$12 million limit each for Facility A and C (fully utilised) and \$19 million under Facility B (\$18.7 million utilised).

In November 2020, the Group repaid a further \$23.5 million (\$12 million towards Facility A and \$11.5 million towards Facility C). The components after repayment are made up of the following:

- Facility A is a multi-option facility consisting of a revolving loan facility and a revolving bank guarantee facility totalling \$12 million (unused as at 31 December 2020). Facility A will mature in March 2022;
- Facility B is a revolving bank guarantee facility totalling \$19 million (\$18.7 million utilised as at 31 December 2020). Facility B will mature in March 2022; and
- Facility C is a term loan facility totalling \$0.5 million (fully utilised as at 31 December 2020). Facility C will mature in March 2023. Facility C is a term loan so the \$11.5 million repayment cancelled the facility limit for that amount.

The group has repaid \$77 million of debt during 1HY21.

The facility limit as at 30 June 2020 was \$116 million and was made up of Facility A totalling \$20 million (\$19.7 million utilised), Facility B totalling \$36 million (\$31.7 million utilised), Facility C totalling \$54 million (fully utilised) and Facility D totalling \$6 million (fully utilised).

Under the Facility, the Group was subject to financial covenants, typical for a facility of this nature, tested on a quarterly basis. There were no breaches of the financial covenants during the period nor are there any future expected breaches based on forecasts.

(ii) Bank Guarantee

Bank guarantees are primarily used for operational purposes. On 31 December 2020, the total bank guarantees on issue is \$18.7 million.

(iii) Borrowing Costs

Fees paid on the establishment of loan facilities are recognised as transaction costs and amortised over the period of the facility.

8 Equity

(a) Contributed equity

(i) Movement in ordinary shares

For the period ended	31 December 2020		30 June 2020	
	Shares	\$'000	Shares	\$'000
Contributed equity	295,110,421	167,163	295,110,421	167,163

(b) Other Equity

During the period ended 31 December 2019, the amaysim share trust purchased 5,562,828 shares at an average price of \$0.38 per share. The consideration paid and the associated transaction costs are deducted from equity. During the half-year ended 31 December 2020, the amaysim share trust issued 1,275,000 of treasury shares to settle rights that vested during the half-year in relation to Key Management Personnel (KMP) participation in the Long Term Incentive Plan.

(i) Movement in treasury shares during the half year ended 31 December 2020

For the period ended	31 December 2020		30 June 2020	
	Shares	\$'000	Shares	\$'000
Opening balance	5,562,828	(2,046)	-	-
Acquisition of shares by amaysimEquity Plans Trust	-	-	5,562,828	(2,000)
Utilisation of shares by amaysimEquity Plans Trust	(1,275,000)	488	-	-
Transaction Costs	-	-	-	(12)
Remeasurement of retirement benefit plan (i)	-	-	-	(34)
Closing balance	4,287,828	(1,558)	5,562,828	(2,046)

(i) The remeasurement of the retirement benefit plan relates to the retirement obligation for amaysim Philippines employees.

9 Share based payments

The Group has two types of share-based payment arrangements:

- KMPs (Key management personnel) and other Executives' Long Term Incentive Plan (LTIP); and
- Executive and Employees' share rights.

A description of the general terms and conditions of these arrangements, including a description of how the fair value of each plan has been determined, is provided below.

(a) Share based payments expense

For the half year ended	31 December 2020	31 December 2019
	\$'000	\$'000
Long Term Incentive - Employee Share Rights Plans	7,433	2,026
Total share based payments expenses	7,433	2,026

Long Term Incentive - Employee Share Rights (ESR)

In FY19 and FY20, the Group issued LTI plans to Executives and other key personnel in the form of performance rights. The hurdles for these share rights are based on Underlying EBITDA and service conditions. These share rights have been treated as equity-settled with a corresponding adjustment to the equity compensation reserve in equity. The Group has the ability to settle the awards in shares at the discretion of the Board.

During the period, 3,825,000 share rights issued to KMP and 238,060 share rights issued to key employees vested as a result of the sale of the energy business. These share rights were settled through a mix of cash and treasury shares. In addition, 31,011 share rights were forfeited by employees on resignation and 78,046 share rights were forfeited as the vesting conditions were not met. There were no additional share rights granted in 1HY21. At 31 December 2020, there are 19,552,551 share rights outstanding under these plans.

As a result of the sale of the mobile operating segment to Optus, all LTI plans remaining at 31 December 2020 vested upon the change in control on 1 February 2021, which is deemed a non-market performance vesting condition. As a result of this condition and the likelihood of the mobile operating segment being sold to Optus, the Group accelerated the remaining expense for the share rights of 19,552,551, the expense that was accelerated totalled \$5.1 million.

10 Business Combinations

(a) Finalisation of Jeenee acquisition

On 30 November 2019, the Company acquired 100% of the issued share capital of Jeenee Communications Pty Ltd, a privately-owned mobile virtual network provider (MVNO).

At 30 November 2020 the Purchase Price Accounting was adjusted and finalised (by the end of the provisional period in line with Australian Accounting Standards). The finalisation resulted in an increase of \$0.1 million in net identified assets acquired and a corresponding decrease in goodwill of \$0.1 million. The finalised purchase price acquisition is disclosed below:

	31 December 2020
	\$'000
Cash consideration to sellers	6,639
Total provisional purchase consideration	6,639
Assets acquired/liabilities assumed	
Cash	30
Trade and other receivable	254
Other Current Assets	300
Property, Plant & Equipment	10
Customer relationships	3,042
Deferred tax asset	1,329
Trade and other payables	(1,695)
Deferred revenue	(117)
Provisions - current	(158)
Provisions - non - current	(79)
Net identifiable assets acquired	2,916
Add: goodwill	3,723
Net assets acquired	6,639

11 Subsequent events

As announced to the ASX on 2 November 2020, the Group announced that it had entered into a share sale agreement with Optus Mobile Pty Limited for the sale of amaysim's mobile business for cash consideration of \$250 million which was conditional on shareholder approval. Shareholder approval was obtained on 21 January 2021 and the sale was completed on 1 February 2021. As a result of the sale of its main undertaking, amaysim intends to delist from the ASX (31 March 2021).

Following the sale of Mobile to Optus, the business' main asset is a material cash balance (following costs associated with the transaction) and the Company is currently subject to an unconditional off-market takeover offer from WAM Capital Limited (ASX:WAM). WAM offered shareholders the option to receive cash; scrip/shares in WAM; or a combination of both as payment for their shares in amaysim Australia Limited. The WAM Offer opened and became unconditional on completion of the sale of the Mobile business to Optus. On 11 February 2021 WAM acquired a controlling stake in the Company and as at 19 February 2021 WAM's holding was 56.67%.

Before concluding operations, the Group will issue a substantial distribution of proceeds to shareholders in three tranches. Refer to the Notice of Meeting dated 2 December 2020 for more information on the distribution of proceeds.

In connection with the sale of the mobile business to Optus, KMP voluntarily relinquished 3,000,000 performance rights that were otherwise expected to vest upon completion of the sale. The total number of shares that have vested as a result of the sale of the mobile business to Optus is 16,552,551, all of which were equity settled on 1 February 2021.

Directors' Declaration for the half-year ended 31 December 2020

In the opinion of the directors of the Company:

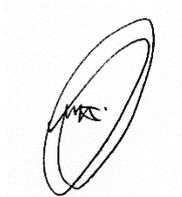
(a) the interim financial statements and notes set out on pages 7 to 18 are in accordance with the Corporations Act 2001, including:

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

(ii) giving a true and fair view of the consolidated entity's financial position as at 31 December 2020 and of its performance for the half-year ended on that date, and

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

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



Andrew Reitzer
Chairman and Independent Non-executive director



Peter O'Connell
Chief Executive Officer and Managing Director

22 February 2021

Review report



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Independent auditor's review report to the members of amaysim Australia Ltd

Report on the half-year financial report

Conclusion

We have reviewed the accompanying half-year financial report of amaysim Australia Ltd (the Company) and its subsidiaries (collectively the Group), which comprises the condensed statement of financial position as at 31 December 2020, the condensed statement of comprehensive income, condensed statement of changes in equity and condensed statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the half-year financial report of the Group is not in accordance with the *Corporations Act 2001*, including:

- a. Giving a true and fair view of the consolidated financial position of the Group as at 31 December 2020 and of its consolidated financial performance for the half-year ended on that date; and
- b. Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Directors' responsibility for the half-year financial report

The directors of the Company 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 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, anything has come to our attention that causes us to 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 Group's consolidated financial position as at 31 December 2020 and its consolidated financial 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 the Group, 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*.

Ernst + Young

Ernst & Young

A handwritten signature in black ink, appearing to read 'JLR', with a horizontal line extending to the right.

John Robinson
Partner
Sydney
22 February 2021



amaysim Australia Limited
ABN 65 143 613 478