



amayxim Australia Pty Ltd
ABN 65 143 613 478

Special Purpose Financial Statements
For the year ended 30 June 2012

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amaysim Australia Pty Ltd

Directors' Report

The Directors of amaysim Australia Pty Ltd (amaysim) (ABN 65 143 613 478), present their report together with the financial report of the group and its controlled entities (the Group) for the year ended 30 June 2012.

Directors

The Directors of the Group during the period and up to the date of this report are shown below. Directors were in office for this entire period except where stated otherwise:

	Appointment Date
PETER O'CONNELL	12 May 2010
ROLF HANSEN	12 May 2010
THOMAS ENGE	12 May 2010
THORSTEN KRAEMER	6 August 2010
MALTE VON DER ROPP	6 August 2010
THOMAS FALK	16 August 2010
SAAD RAJA	15 March 2011
CHRISTIAN MAGEL	15 March 2011
ANDREAS PERREITER (Alternate Director)	15 March 2011
GEORGE SIDJIMKOV (Alternate Director)	15 March 2011

Principal Activity

The principal activity of the Group is the provision of mobile services.

Operating Result

The group's operating loss after providing for income tax for the period ended 30 June 2012 was \$18,313,412

Dividends

The directors have not recommended any payment of dividends for the current financial period.

Significant Changes in the State of Affairs

On 28 October 2011, amaysim had successfully raised an additional \$6.0 million capital (110,703 shares). These funds will help to boost growth to achieve the critical mass of customers that is required for the financial breakeven.

Significant Events After the Balance Date

As at the date of this report, the Directors are not aware of any matter or circumstance that has arisen since the end of the financial year that has significantly affected or may significantly affect the operations of the Group, the results of its operations or its state of affairs, which is not already reflected in this report.

Going Concern Assumption

Following the introduction of amaysim FLEXI which delivers a high absolute margin per customer amaysim now covers all relevant segments of the market: the low usage \$10 market with amaysim AS YOU GO, the high volume \$40 segment with amaysim UNLIMITED and now the middle \$20 segment with amaysim FLEXI. Because of the product mix combined with amaysim's subscription business model where each new customer leads to increased revenues the directors believe that positive cashflow will be achieved in the 2012/2013 financial year. Also, the cost base of amaysim is to a high degree variable. This means that all relevant cost positions can be quickly adapted should the overall expected business volume not materialise. Even under these circumstances, a sustainable break-even of the business will be achievable.

amaysim Australia Pty Ltd

Directors' Report

Going Concern Assumption (continued)

For the above reasons the directors believe that the consolidated entity will be successful in achieving positive cash flow during 2012/2013 and have therefore prepared the financial report on a going concern basis. The directors are of the opinion that no asset is likely to be realised for an amount less than the amount at which it is recorded in the financial report as at 30 June 2012. Accordingly, no adjustments have been made to the financial report relating to the recoverability and classification of the asset carrying amounts or the amounts and classification of liabilities that might be necessary should the company and the consolidated entity not continue as going concern.

Likely Developments and Expected Results

In the opinion of the directors, disclosure of information regarding likely developments in the operations of the Group and the expected results of those operations in subsequent financial periods would be likely to result in unreasonable prejudice to the Group. Accordingly, this information has not been disclosed in the report.

Environmental Regulation and Performance

The operations of the Group are not subject to any particular or significant environmental regulations under a Commonwealth, State or Territory law.

Indemnification and Insurance of Directors and Officers

The group indemnifies, to the extent permitted by law, all officers of the group, (including the directors), for any liability (including the costs and expenses of defending actions for an actual or alleged liability) incurred in their capacity as an officer of the Group.

This indemnity is not extended to current or former employees of the Group against liability incurred in their capacity as an employee unless approved by the Board of amaysim Australia Pty Ltd. During or since the end of the financial year, no such indemnities have been provided.

During the financial year, the Group agreed to insure all the officers of the Group against certain liabilities as permitted by the Corporations Act. The insurance policy prohibits disclosure of the nature of the cover, the amount of the premium, the limit of liability and other terms.

During the financial year amaysim paid premiums in respect of a contract insuring all the directors against costs incurred in defending proceedings for conduct involving:

- (i) a wilful breach of duty; or
- (ii) a contravention of Sections 182 or 183 of the Corporations Act 2001 as permitted by Section 199B of the Corporations Act 2001.

Insurance contract premiums have been paid but not disclosed due to a confidentiality clause in the insurance contract.

Proceedings on behalf of the company

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the group, or to intervene in any proceedings to which the group is a party, for the purpose of taking responsibility on behalf of the group for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the group with leave of the Court under section 237 of the Corporations Act 2001.

amaysim Australia Pty Ltd

Directors' Report

Auditor independence

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

Auditor

PwC continues in office in accordance with section 327 of the Corporations Act 2001.

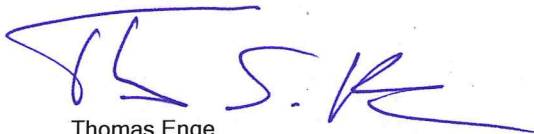
Rounding

The amounts contained in this report and in the financial report have been rounded under the option available to the Group under ASIC Class Order 98/100. 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).

Signed in accordance with a resolution of the Directors:



Rolf Hansen
Chief Executive Officer and Director
Dated 22 November 2012, Sydney



Thomas Enge
Chief Financial Officer and Director
Dated 22 November 2012, Sydney



Auditor's Independence Declaration

As lead auditor for the audit of amaysim Australia Pty Limited for the period ended 30 June 2012, 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 audit ; and
- b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of amaysim Australia Pty Limited and the entity it controlled during the period.

A handwritten signature in black ink, appearing to read 'Sumanth Prakash', with a long horizontal line extending from the end of the signature.

Sumanth Prakash
Partner
PricewaterhouseCoopers

Sydney
22 November 2012

amaysim Australia Pty Ltd

Preliminary Note

This financial statement covers the consolidated entity consisting of amaysim Australia Pty Ltd and its controlled entities.

amaysim Australia Pty Ltd is a company limited by shares, incorporated and domiciled in Australia. Its registered office and principle place of business is:

Level 6
17-19 Bridge Street
Sydney NSW 2000

A description of the nature of the consolidated entity's operations and principal activities is included in the directors' report on pages 3 - 5.

The financial statements were authorised for issue by the directors on 22 November 2012.

The company has the power to amend and reissue the financial statements.

The financial statements are presented in the Australian currency.

amaysim Australia Pty Ltd

Consolidated Statement of Comprehensive Income For the year ended 30 June 2012

	Notes	2012 \$'000	Consolidated 2011 \$'000
REVENUE			
Service revenue	2	30,546	3,809
Other revenue	2	2,151	1,001
Total revenue		32,697	4,810
Other income		10	72
EXPENSES			
Network related expenses	3	(25,532)	(4,823)
Employee benefits expense		(10,966)	(8,883)
Marketing expenses		(9,220)	(11,981)
Depreciation and amortisation expense	3,7,8	(1,292)	(628)
Other expenses		(4,629)	(4,797)
Finance costs	3	(38)	(28)
Total expenses		(51,677)	(31,140)
(Loss) before income tax		(18,970)	(26,258)
Income tax credit		(657)	-
Loss attributable to members of amaysim Australia Pty Ltd		(18,313)	(26,258)
Other comprehensive income for the year net of tax		-	-
Total comprehensive income for the year attributable to members of amaysim Australia Pty Ltd		(18,313)	(26,258)

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

amaysim Australia Pty Ltd

Consolidated Balance Sheet As at 30 June 2012

	Notes	Consolidated	
		2012	2011
		\$'000	\$'000
CURRENT ASSETS			
Cash and cash equivalents	4	1,358	2,459
Trade and other receivables	5	2,969	2,077
Other current assets	6	248	96
Total current assets		4,575	4,632
NON-CURRENT ASSETS			
Property, plant and equipment	7	1,728	2,030
Intangible assets	8	950	1,278
Other non-current assets	9	1,398	1,979
Total non-current assets		4,076	5,287
TOTAL ASSETS		8,651	9,919
CURRENT LIABILITIES			
Trade and other creditors	10	17,615	6,356
Other payables	10	-	780
Lease liabilities	12	186	180
Provisions	11	237	175
Total current liabilities		18,038	7,491
NON-CURRENT LIABILITIES			
Lease liabilities	12	589	775
Other payables	13	2,460	1,846
Provisions	11	118	48
Total non-current liabilities		3,167	2,669
TOTAL LIABILITIES		21,205	10,160
NET (LIABILITIES)		(12,554)	(241)
EQUITY			
Accumulated losses		(44,571)	(26,258)
Issued and paid up capital	14	32,017	26,017
TOTAL EQUITY / (DEFICIENCY OF EQUITY)		(12,554)	(241)

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

amaysim Australia Pty Ltd

Consolidated Statement of Cash Flows For the year ended 30 June 2012

		Consolidated	
	Notes	2012 \$'000	2011 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers (inclusive of GST)		31,562	6,867
Payments to suppliers and to employees (inclusive of GST)		(38,693)	(27,428)
Borrowing costs		(38)	-
Interest received		253	473
Income tax receipts		657	-
Net cash outflow from operating activities	16	(6,259)	(20,088)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for purchase of subsidiary and associated entities		-	-
Payment for property, plant and equipment		(298)	(1,841)
Payment for intangible assets	8	(364)	(1,600)
Net cash outflow from investing activities		(662)	(3,441)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from equity raising	14	6,000	26,017
Proceeds/(repayment) of leases		(180)	(29)
Net cash inflow from investing activities		5,820	25,988
Net decrease in cash and cash equivalents held	4	(1,101)	2,459
Cash and cash equivalents at beginning of the year		2,459	-
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		1,358	2,459

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

amaysim Australia Pty Ltd

Consolidated Statement of Changes in Equity For the year ended 30 June 2012

	Contributed Equity \$'000	Accumulated losses \$'000	Total \$'000
At incorporation	-	-	-
Loss for the period	-	(26,258)	(26,258)
Other comprehensive income	-	-	-
Total comprehensive income for the period	-	(26,258)	(26,258)
Transactions with owners in their capacity as owners:			
Contributions of equity	26,017	-	26,017
Balance at 30 June 2011	26,017	(26,258)	(241)
Loss for the year	-	(18,313)	(18,313)
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	(18,313)	(18,313)
Transactions with owners in their capacity as owners:			
Contributions of equity	6,000	-	6,000
Balance at 30 June 2012	32,017	(44,571)	(12,554)

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

amaysim Australia Pty Ltd

Notes to the Financial Statements For the year ended 30 June 2012

1 . Summary of accounting policies

The principal accounting policies applied in the preparation of the financial report are set out below.

(a) Basis of Preparation

In the directors' opinion, the group is not a reporting entity because there are no users dependent on general purpose financial reports.

This is a special purpose financial report that has been prepared for the sole purpose of complying with the Corporations Act 2001 requirements to prepare and distribute a financial report to the members and must not be used for any other purpose. The directors have determined that the accounting policies adopted are appropriate to meet the needs of the members.

(i) Historical cost convention

The financial report is prepared in accordance with the historical cost convention, except for certain assets which, as noted, are at fair value. Unless otherwise stated, the accounting policies adopted are consistent with those of the previous year.

(ii) Financial statement presentation

The financial report has been prepared in accordance with AASB 101 Presentation of Financial Statements, AASB 107 Cash Flow Statements, AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors, AASB 1031 Materiality and AASB 1048 Interpretation and Application of Standards, which apply to all entities required to prepare financial reports under the Corporations Act 2001, and other applicable Accounting Standards and Interpretations with the exception of the disclosure requirements in the following:

- AASB 2 – Share-based Payment
- AASB 3 – Business Combinations
- AASB 5 – Non-current Assets Held for Sale and Discontinued Operations
- AASB 7 – Financial Instruments: Disclosures
- AASB 114 – Segment Reporting
- AASB 124 – Related Party Disclosures 10,11
- AASB 139 – Financial Instruments: Recognition and Measurement

New and amended standards adopted by the group

There are no new standards and amendments to standards mandatory for the first time for the financial year beginning 1 July 2012, which have a material impact on the financial report.

Early adoption of standards

The directors' of amaysim have not elected early adoption of standards as they have no material impact on the financial report.

Critical accounting estimates

The preparation of financial statements requires the use of certain accounting estimates. It also requires management to exercise its judgement in the process of applying the group's accounting policies. However, the areas involving a degree of judgement, or areas where assumptions and estimates have not been deemed significant to the financial statements.

(b) Continuation as a going concern

As at June 30 2012, the consolidated entity consisting of amaysim Australia Pty Ltd and its wholly owned subsidiary amaysim Services Pty Ltd has incurred a loss of \$18.3m and a deficiency in working capital of \$13.5m. The group has also generated an operating cash outflow of \$6.3m.

amaysim Australia Pty Ltd

Notes to the Financial Statements For the year ended 30 June 2012

1 . Summary of accounting policies (continued)

(b) Continuation as a going concern (continued)

The directors have prepared detailed cash flow forecasts for the period as 31 December 2013. The detailed cash flow forecasts are based on the assumption of:

- Customer base growth of 42% year on year
- Improving marketing efficiency by reducing overall marketing investment from 29% of Service Revenue to 11% in FY2013.

These cash flow forecasts show that the Group will generate positive cash flows from operations for the period to 31 December 2013 which will enable its obligations to be met.

The continuing viability of consolidated entity and its ability to continue as a going concern and meet its debts and commitments as they fall due are dependent upon the consolidated entity being successful in:

- Achieving the cash flow forecasts, by improving amaysim's product mix toward higher margin segments, which, combined with amaysim's subscription business model, will generate increasing positive cash flows.
- Initiatives to reduce costs and improve efficiency, which has already led to an improvement in payment terms with a major supplier, releasing a positive cash flow of \$400k as at October 2012;

In addition, a delayed R&D tax credit was finally received providing a positive cash flow of \$670K as at October 2012.

For the above reasons the directors believe that the consolidated entity will be successful in generating positive cash flow during 2012/2013 and have therefore prepared the financial report on a going concern basis.

However, as is inherent in every start-up, there is material uncertainty that may cast significant doubt as to whether the consolidated entity will continue as a going concern and whether it will realise its assets and settle its liabilities and commitments in the normal course of business and at the amounts stated in the financial report.

The directors are of the opinion that no asset is likely to be realised for an amount less than the amount at which it is recorded in the financial report as at 30 June 2012. Accordingly, no adjustments have been made to the financial report relating to the recoverability and classification of the asset carrying amounts or the amounts and classification of liabilities that might be necessary should the company and the consolidated entity not continue as going concern.

(c) Principles of Consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of amaysim Australia Pty Ltd ("parent entity") as at 30 June 2012 and the results of all subsidiaries for the year ended on that date. The parent and its subsidiaries are referred to in the financial report as the consolidated entity or the Group.

Subsidiaries are all those entities (including special purpose entities) over which the parent entity has the power to govern the financial and operating policies so as to obtain benefits from their activities.

The acquisition method of accounting is used to account for the acquisition of subsidiaries by the parent entity. Subsidiaries are fully consolidated from the date on which control is transferred.

All transactions and balances between the parent entity and subsidiaries are eliminated. Accounting policies of subsidiaries are consistent with the policies adopted by the Group.

Notes to the Financial Statements
For the year ended 30 June 2012

1 . Summary of accounting policies (continued)

(d) Significant Accounting Judgements, Estimates and Assumptions

The Group may make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Assumptions made at each balance date are based on best estimates at that date. Estimates and judgements are continually evaluated and based on historical experience and other factors, including expectations of future events.

(i) Significant accounting judgements

In the process of applying the Group's accounting policies, management has determined that judgements, apart from those involving estimations, do not have significant effects on the amounts recognised in the financial statements.

(ii) Significant accounting estimates and assumptions

The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. Management has determined there are no key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of the Group's assets and liabilities within the next annual reporting year.

(e) Revenue and Receivables

Income is recognised to the extent that it is probable that the economic benefits will flow to the Group and the income can be reliably measured. The following specific recognition criteria must also be met before income is recognised:

(i) Service revenue

Service revenues are recognised based on customer usage. When a customer uses the amaysim sim card to make voice, sms and/or other services this will trigger revenue being recognised for customers on the As You Go product. Revenue from the Unlimited plan and data bolt-on are recognised on a straight line basis over the period after the plan is bought. Revenue from the Flexi plan is recognised based on customer usage and expiry of Flexi credits.

(ii) Interest revenue

Interest revenues are recognised when interest becomes receivable. All interest revenue within the financial statements are from cash held at bank and term deposits.

(f) Expenses

All expenses including rates and taxes, and other outgoings are recognised in the Statement of comprehensive income on an accruals basis.

(g) Property Plant and Equipment

All property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting year in which they are incurred.

amaysim Australia Pty Ltd

Notes to the Financial Statements For the year ended 30 June 2012

1 . Summary of accounting policies (continued)

(g) Property Plant and Equipment (continued)

Depreciation on assets is calculated using the straight-line method to allocate their cost over their estimated useful lives or, in the case of leasehold improvements and certain leased plant and equipment, the shorter of lease terms or as follows:

- Leasehold Improvements	5 years
- Office Equipment	4 years
- EDP Equipment	3 years
- Telecommunication Equipment	3-4 years
- Furniture, fittings and equipment	2 years
- Leased plant and equipment	4 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting year.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss.

(h) Intangible assets - Acquired Software

Costs incurred in developing products or systems and costs incurred in acquiring software and licenses that will contribute to future year financial benefits through revenue generation and/or cost reduction are capitalised to software and systems. Costs capitalised include external direct costs of materials and service and direct payroll and payroll related costs of employees' time spent on the project. Amortisation is calculated on a straight-line basis over years generally ranging from 2.5 to 3 years.

IT development costs include only those costs directly attributable to the development phase and are only recognised following completion of technical feasibility and where the group has an intention and ability to use the asset.

(i) Leases - operating and finance leases

Amaysim has two types of leases as follows:

(i) Operating Leases

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the group as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the Statement of comprehensive income on a straight-line basis over the period of the lease.

The operating leases consist of the building leases for the 3 levels amaysim currently holds with Bridgelane Holdings. The lease is recognised as an expense in year the rent relates to. Currently the Lease for 2 of the levels are for 5 years with the remaining level being a 3 year lease.

In accordance with their lease agreements with the lessor, the group must make good the leased premises before 30 September 2015 for level 6 and 7; and before 30 November 2013 for Mezzanine Level.

Because of the long-term nature of the liability, the significant uncertainty in estimating the provision is the costs that will ultimately be incurred. The provision has been estimated based on cost per square metre and number of square metres occupied.

(ii) Finance Leases

The finance leases consist of the motor vehicles acquired for the 5 founders of amaysim. The lease is capitalised as an asset under 'Leased Assets - MV'. The value of the asset is depreciated over the 4 year useful life of the lease.

amaysim Australia Pty Ltd

Notes to the Financial Statements For the year ended 30 June 2012

1 . Summary of accounting policies (continued)

(j) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits, annual leave expected to be settled within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting year and are measured at the amounts expected to be paid when the liabilities are settled.

The liability for annual leave is recognised in the Current Provisions. All other short-term employee benefit obligations are presented as payables.

(ii) Retirement benefit obligations

All employees of amaysim are entitled to benefits of the 9% superannuation guarantee. All entitlements are settled monthly with the employees nominated superannuation fund. Contributions to the superannuation funds are recognised as an expense as they become payable.

(k) Leasing Incentives

Leasing incentives, are capitalised upon receipt and recognised in the Statement of comprehensive income over the life of the lease.

(l) Cash and Cash Equivalents

For the purposes of the Consolidated Statement of Cash Flows, cash and cash equivalents include deposits held at call with a bank or financial institution with an original maturity date of three months or less. Cash and cash equivalents also include highly liquid investments which are readily convertible to cash on hand at the Directors' option and which the Group uses in its day to day management of the Group's cash requirements.

(m) Payables

Payables are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Group. Payables are measured at their fair value. Amounts are generally paid within 30 days of being recorded as payables.

(i) Optus activation fee liability

Activation fees are recognised on terms in accordance with the Optus agreements and are due one month and 21 days after each month. The receipt of activation fees is recognised as a liability in the month the fee becomes receivable. This liability then reduces as access fees become payable to Optus over the lesser of 24 months from customer start date or on customer disconnection.

(n) Contributed Equity

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in consolidated statement of comprehensive income as part of other expenses.

(o) Taxation

Under current legislation, the Group is not liable to pay income tax since, the group has a reportable loss for the current financial year. No deferred tax asset will be recognised until it is probable reportable gains will arise in future years.

(p) Dividends

The directors have not recommended any payment of dividends for the current financial year.

amaysim Australia Pty Ltd

Notes to the Financial Statements For the year ended 30 June 2012

1 . Summary of accounting policies (continued)

(q) Goods and Services Tax

All revenues, expenses and assets are recognised net of any GST paid, except where they relate to products and services which are input taxed for GST purposes or the GST incurred is not recoverable from the relevant tax authorities. In such circumstances, the GST paid is recognised as part of the cost of acquisition of the assets or as part of the particular expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from or payable to the tax authorities is included as a receivable or payable in the Statement of Financial Position.

Cash flows are reported on a gross basis reflecting any GST paid or collected. The GST component of cash flows arising from investing or financing activities which are recoverable from, or payable to, local tax authorities are classified as operating cash flows.

(r) New Accounting Standards and Interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2012 reporting years. The group's assessment of the impact of these new standards is that they either do not apply to the Group or if they do apply will not materially impact the financial reports.

(s) Parent Entity Financial Information

The financial information for the parent entity, amaysim Australia Pty Ltd, disclosed in note 19 has been prepared on the same basis as the consolidated financial statements, except as set out below.

(i) Investments in subsidiaries, associates and joint venture entities

Investments in subsidiaries, associates and joint venture entities are accounted for at cost in the financial statements of amaysim Australia Pty Ltd.

(ii) Tax consolidation legislation

amaysim Australia Pty Ltd and its wholly-owned Australian controlled entities have not implemented the tax consolidation legislation.

(iii) Financial guarantees

The parent entity has not provided any financial guarantees in relation to loans and payables of its subsidiaries

(t) Rounding

Where indicated, the amounts in the financial report have been rounded to the nearest thousand dollars, under the option available to the Group under ASIC Class Order 98/100.

amaysim Australia Pty Ltd

Notes to the Financial Statements For the year ended 30 June 2012

	amaysim Group	
	Year ended 30 June	
	2012	2011
	\$'000	\$'000
2 . Revenue		
From continuing operations		
Service revenue		
Service revenue	30,546	3,809
	<u>30,546</u>	<u>3,809</u>
Other revenue		
Other service revenue	1,898	528
Interest income	253	473
	<u>2,151</u>	<u>1,001</u>
Total Revenue	32,697	4,810
3 . Loss from ordinary activities		
Loss before income tax includes the following specific expenses:		
Network related expenses	25,532	4,823
Depreciation (by category)		
Leasehold Improvement	281	141
Office Equipment	5	1
EDP Equipment	158	75
Telecommunication Equipment	19	3
Furniture & Fittings	-	-
Leased Assets - MV	137	86
	<u>600</u>	<u>306</u>
Amortisation (by category)		
Acquired Software	692	322
	<u>692</u>	<u>322</u>
Finance costs		
Interest Charges	38	28
Operating lease expense		
Lease - Office Complex	890	553
Lease - Office Equipment	20	9
	<u>910</u>	<u>562</u>
Defined contribution superannuation expense	605	385
Bad Debts written off	125	7
4 . Cash and cash equivalents		
Cash and cash equivalents		
Cash and cash equivalents	1,358	2,459
Total Cash and cash equivalents	1,358	2,459

amaysim Australia Pty Ltd

Notes to the Financial Statements For the year ended 30 June 2012

amaysim Group
Year ended 30 June
2012 2011
\$'000 \$'000

5 . Trade and other receivables

Trade and other receivables		
Trade debtor	1,010	1,761
Other receivables	2,037	316
Provision for Doubtful Debts	(78)	-
Total Trade and other receivables	2,969	2,077

6 . Other current assets

Other current assets		
Prepayments	248	96
Total Other current assets	248	96

7 . Property, plant and equipment

Property, plant and equipment

	Leasehold Improvement \$'000	Office Equipment \$'000	EDP Equipment \$'000	Telecommu- nication Equipment \$'000	Furniture & Fittings \$'000	Leased Assets - MV \$'000	Total \$'000
Period ended 30 June 2011							
Opening net book amount	-	-	-	-	-	-	-
Additions	1,360	4	402	19	3	548	2,336
Assets included in a disposal group classified as held for sale and other disposals	-	-	-	-	-	-	-
Depreciation charge	(141)	(1)	(75)	(3)	-	(86)	(306)
Closing net book amount	1,219	3	327	16	3	462	2,030
Year ended 30 June 2012							
Opening net book amount	1,219	3	327	16	3	462	2,030
Additions	45	19	152	80	2	-	298
Assets included in a disposal group classified as held for sale and other disposals	-	-	-	-	-	-	-
Depreciation charge	(281)	(5)	(158)	(19)	-	(137)	(600)
Closing net book amount	983	17	321	77	5	325	1,728

amaysim Australia Pty Ltd

Notes to the Financial Statements For the year ended 30 June 2012

8 . Intangible assets

Intangible assets

	Acquired Software \$'000	Total \$'000
Period ended 30 June 2011		
Opening net book amount	-	-
Additions	1,600	1,600
disposals	-	-
Amortisation charge	(322)	(322)
Closing net book amount	1,278	1,278
Year ended 30 June 2012		
Opening net book amount	1,278	1,278
Additions	364	364
disposals	-	-
Amortisation charge	(692)	(692)
Closing net book amount	950	950

amaysim Group
Year ended 30 June
2012 2011
\$'000 \$'000

9 . Other non-current assets

Other non-current assets

Secured deposits	1,398	1,979
Total Other non-current assets	1,398	1,979

10 . Trade and other payables

Trade and other payables

Trade creditors	8,048	2,377
Optus activation fee liability	5,834	1,846
Other creditors	3,733	2,133
Total Trade and other creditors	17,615	6,356
Advance receipt from suppliers	-	780
Total Trade and other payables	17,615	7,136

Terms and Conditions

Terms and conditions relating to the above financial instruments:

(i) Trade payables and other creditors are non-interest bearing.

amaysim Australia Pty Ltd

Notes to the Financial Statements For the year ended 30 June 2012

amaysim Group
Year ended 30 June
2012 2011
\$'000 \$'000

11 . Provisions

Current Provisions

Provision for employee entitlements

Total Current Provisions

237	175
<u>237</u>	<u>175</u>

Non current Provisions

Provision for make good

Total Non current Provisions

118	48
<u>118</u>	<u>48</u>

12 . Lease liabilities

Current Lease liabilities

Lease Liabilities - MV

Lease Liabilities - MV Interest

Lease Liabilities - Incentives

Total Current Lease liabilities

112	112
(32)	(38)
106	106
<u>186</u>	<u>180</u>

Non current Lease liabilities

Lease Liabilities - MV

Lease Liabilities - MV Interest

Lease Liabilities - Incentives

Total Non current Lease liabilities

374	487
(32)	(64)
247	352
<u>589</u>	<u>775</u>

There are 5 motor vehicle leases taken out by amaysim. All leases are 4 year leases and the details are as below:

Balance of financing outstanding	486	599
Balance of interest payable	(64)	(102)
Add: financing repaid - prior periods	51	-
Add: financing repaid	75	51
Leased Assets - MV	<u>548</u>	<u>548</u>

13 . Non-current other payables

Non-current other payables

Optus Activation Fee Liability

Total

2,460	1,846
<u>2,460</u>	<u>1,846</u>

Terms and Conditions

Terms and conditions relating to the above liability:

(i) other payables are non-interest bearing and are repayable in greater than 12 months.

amaysim Australia Pty Ltd

Notes to the Financial Statements For the year ended 30 June 2012

amaysim Group	
Year ended 30 June	
2012	2011
\$'000	\$'000

14 . Issued and paid up capital

Issued and paid up capital		
Opening paid up capital	26,017	-
Paid Up Capital	6,000	26,017
Total Issued and paid up capital	<u>32,017</u>	<u>26,017</u>

(a) Ordinary shares

All paid up capital in amaysim Australia Pty Ltd is in the form of 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.

Upon a poll each ordinary share is entitled to one vote. At 30 June 2012 there were 1,116,015 ordinary shares issued. The C-round capital raising in October 2011 resulted in the issuing of 110,703 units at a price of \$54.20 per unit.

15 . Contingent liabilities

The directors are of the opinion that provisions are not required in respect of any contingent matters, as for any of these matters it is not probable that a future sacrifice of economic benefits will be required or the amount is not capable of reliable measurement.

16 . Statement of cash flow

(a) Reconciliation of cash and cash equivalents

For the purposes of the statement of cash flows, cash includes cash on hand, cash at bank and cash on deposit.

Cash and cash equivalents	1,358	2,459
	<u>1,358</u>	<u>2,459</u>

amaysim Australia Pty Ltd

Notes to the Financial Statements For the year ended 30 June 2012

amaysim Group
Year ended 30 June
2012 2011
\$'000 \$'000

16 . Statement of cash flow (continued)

(b) Reconciliation of operating loss after tax to the net cash flows from operations

Net loss	(18,313)	(26,258)
Adjustments for:		
Depreciation and amortisation	1,292	628
Financing Lease	-	28
Changes in assets and liabilities		
(Increase)/decrease in trade and other debtors	(892)	(2,077)
(Increase)/decrease in inventories	-	-
(Increase)/decrease in future income tax benefit	-	-
(Increase)/decrease in prepayments	(152)	(86)
(Increase)/decrease in other assets	581	(1,989)
Increase/(decrease) in trade creditors	11,259	6,356
Increase/(decrease) in other payables	(166)	2,626
Increase/(decrease) in provision for income tax	-	-
Increase/(decrease) in provision for deferred tax	-	-
Increase/(decrease) in employee provisions	-	-
Increase/(decrease) in other provisions	132	684
Increase/(decrease) in other liabilities	-	-
Net cash from operating activities	(6,259)	(20,088)

17 . Commitments

(a) Lease commitments: group as lessee

(i) Non-cancellable operating leases

Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:

Within one year	919	986
Later than one year but not later than five years	1,808	2,727
Later than five years	-	-
Minimum lease payments	2,727	3,713

amaysim Australia Pty Ltd

Notes to the Financial Statements For the year ended 30 June 2012

amaysim Group
Year ended 30 June
2012 2011
\$'000 \$'000

17 . Commitments (continued)

(a) Lease commitments: group as lessee (continued)

(ii) Finance Leases

The group leases 5 motor vehicles with a carrying amount of \$461,000 under finance leases expiring within 4 years. Under the leases, the group has the option to acquire the leased assets for \$230,000.

Commitments in relation to finance leases are payable as follows:

Within one year	112	112
Later than one year but not later than five years	374	487
Minimum lease payments	486	599
Future finance charges	(64)	(102)
Recognised as a liability	422	497

18 . Ultimate parent company

Wholly-owned group

The company is a majority owned, controlled entity of Shark Holdings incorporated in Germany.

19 . Parent entity financial information

(a) Summary financial information

The individual financial statements for the parent entity show the following aggregate amounts:

Balance sheet		
Current assets	3,779	3,845
Total assets	8,199	9,449
Current liabilities	17,591	7,020
Total liabilities	20,757	9,689
<i>Shareholders' equity</i>		
Issued capital	32,017	26,017
Accumulated losses	(44,571)	(26,258)
	(12,554)	(241)
Loss for the year	(18,313)	(26,258)
Total comprehensive income	(18,313)	(26,258)

amaysim Australia Pty Ltd

Notes to the Financial Statements For the year ended 30 June 2012

	2012	2011
	\$	\$
20 . Remuneration of auditors		
Remuneration for audit of the financial report of the group:		
Audit services		
Auditors of the group		
PricewaterhouseCoopers		
- audit of financial reports	60,000	55,000

21 . Subsequent event note

As at the date of this report, the Directors are not aware of any other matter or circumstance that has arisen since the end of the financial year that has significantly affected or may significantly affect the operations of the Group, the results of its operations or its state of affairs, which is not already reflected in this report.

amaysim Australia Pty Ltd

Directors Declaration

As stated in Note 1(a) to the consolidated financial statements, in the directors' opinion, the group is not a reporting entity because there are no users dependent on general purpose financial reports.

This is a special purpose financial report that has been prepared to meet Corporations Act 2001 requirements.

The financial report has been prepared in accordance with Accounting Standards and mandatory professional reporting requirements to the extent described in Note 1.

In the directors' opinion:

1. The consolidated financial statements and notes are in accordance with the Corporations Act 2001, including:
 - (a) complying with Accounting Standards and other mandatory professional reporting requirements as detailed above, and the Corporations Regulations 2001; and
 - (b) giving a true and fair view of the consolidated entity's financial position as at 30 June 2012 and of its performance for the financial period ended on that date; and
2. there are reasonable grounds to believe that the group will be able to pay its debts as and when they become due and payable, and

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



Rolf Hansen
Chief Executive Officer and Director
Dated 22 November 2012, Sydney



Thomas Enge
Chief Financial Officer and Director
Dated 22 November 2012, Sydney



Independent auditor's report to the members of amaysim Australia Pty Limited

Report on the financial report

We have audited the accompanying financial report, being a special purpose financial report, of amaysim Australia Pty Limited (the company), which comprises the statement of financial position as at 30 June 2012, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, a summary of significant accounting policies, other explanatory notes and the directors' declaration for the amaysim Australia Pty Limited group (the consolidated entity). The consolidated entity comprises the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' responsibility for the financial report

The directors of the company are responsible for the preparation of the financial report and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *Corporations Act 2001* and is appropriate to meet the needs of the members.

The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the consolidated entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

Our procedures include reading the other information in the Annual Report to determine whether it contains any material inconsistencies with the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Independence

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

Auditor's opinion

In our opinion, the financial report of amaysim Australia Pty Limited is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 30 June 2012 and of its performance for the year ended on that date, and
- (b) complying with Australian Accounting Standards to the extent described in Note 1 and complying with the *Corporations Regulations 2001*

Material Uncertainty Regarding Continuation as a Going Concern

Without qualifying our opinion, we draw attention to Note 1 in the financial report which indicates that the consolidated entity incurred a net loss of \$18,313k during the year ended 30 June 2012 and, as of that date, the consolidated entity had a working capital deficiency of \$13,463k. These conditions, along with other matters as set forth in Note 1, indicate the existence of a material uncertainty that may cast significant doubt about the consolidated entity's ability to continue as a going concern and therefore the consolidated entity may be unable to realise its assets and discharge its liabilities in the normal course of business and at the amounts stated in the financial report.

Basis of accounting and restriction on distribution and use

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the *Corporations Act 2001*. As a result, the financial report may not be suitable for another purpose. Our report is intended solely for the members of amaysim Australia Pty Limited.


PricewaterhouseCoopers


Sumanth Prakash
Partner

Sydney
22 November 2012