



ONEMARKET™

31 May 2019

The Manager
Company Announcements Office
ASX Limited
Level 4, Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam

**ONEMARKET LIMITED (ASX:OMN)
APPENDIX 4E AND ANNUAL REPORT**

Attached are OneMarket Limited's Appendix 4E and Annual Report for the period ended 31 March 2019.

Yours faithfully

ONEMARKET LIMITED

**Simon Tuxen
Company Secretary**

1. Company details

Name of entity:	OneMarket Limited
ABN:	28 623 247 549
Reporting period:	For the period ended 31 March 2019
Previous period:	For the period ended 31 December 2017

2. Results for announcement to the market

The results for the period ended 31 March 2019 comprise the earnings of OneMarket Limited which includes OneMarket Network LLC from 1 January 2018 and the OneMarket UK business from 31 May 2018. The results for the comparative period ended 31 December 2017 represent the results of OneMarket Network LLC including controlled entities (relating to Westfield Corporation) which are no longer part of OneMarket Network LLC.

			US\$'000
Revenues from ordinary activities	down	55.4% to	13,895
Loss from ordinary activities after tax attributable to the owners of OneMarket Limited	up	18.5% to	(92,016)
Loss for the period attributable to the owners of OneMarket Limited	up	18.5% to	(92,016)

Dividends

A distribution of US\$1,691,000 was made by OneMarket Network LLC to Westfield Corporation.

Comments

OneMarket is a retail technology company developing a cloud-based, connected platform and ecosystem of customer-centric solutions, called the OneMarket Customer Activation Platform. The platform is designed to identify, understand and activate customers, online and offline, creating meaningful and continuing relationships between customers, retailers, brands and venues.

OneMarket's revenue from ordinary activities during the 15 month period was US\$13,895,000 compared to US\$31,174,000 for the 12 month period ended 31 December 2017.

OneMarket's loss during the 15 month period after providing for income tax and non-controlling interest was US\$92,016,000 compared to a loss of US\$77,620,000 for the 12 month period ended 31 December 2017.

OneMarket had cash and term deposits of \$120.5 million as at 31 March 2019.

During the period OneMarket reduced on-going cash expenses through a rationalisation of the work force as well as a reorganisation of the reporting structure to better align the organisation with strategic growth objectives. As a result of the reduction in on-going cash expense, the period for which OneMarket has sufficient resources to meet its anticipated cash needs without additional financing was extended by approximately 12 months from late 2020 to late 2021 (calculation is consistent with the Demerger Booklet and excludes potential revenues and includes wind-up costs).

Full details of OneMarket's financial and operating results are contained in the 'Review of operations' section of the Directors' Report.

3. Net tangible assets per ordinary security

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	<u>114.49</u>	<u>(22.32)</u>

The net tangible assets per ordinary security is calculated on a consolidated basis (and prior to deducting-controlling interests).

The net tangible assets per ordinary security is calculated based on 103,929,124 ordinary shares on issue as at 31 March 2019 and 20,710,341 ordinary shares that would have been in existence had the corporate/group reorganisation occurred as at 31 December 2017.

4. Control gained over entities

On 1 January 2018 OneMarket Limited acquired OneMarket Network LLC and its controlled entities ('US OneMarket business'). For accounting purposes the acquisition represents a group reorganisation and has been treated as the Group being a continuation of the US OneMarket business. Refer to note 2 of the financial statements for further details.

On 31 May 2018 OneMarket Limited acquired OneMarket UK Holdings Limited and its controlled entities. For accounting purposes the acquisition has been treated as a common control transaction. Refer to note 2 of the financial statements for further details.

5. Loss of control over entities

As at 1 January 2017, Westfield DDC LLC, the Design, Development and Construction business of Westfield Corporation, was wholly-owned by OneMarket Network LLC. Westfield DDC LLC was responsible for all design, development and construction work performed at Westfield Corporation's centres. On 30 June 2017, OneMarket Network LLC distributed its investment in Westfield DDC LLC to WCL Holdings Inc., its parent entity for total consideration of US\$71,766,000 in the form of a deemed distribution. The contribution of Westfield DDC LLC to the reporting entity's loss from ordinary activities after income tax during the previous financial reporting period was a profit US\$54,786,000.

6. Dividends

Current period

A distribution of US\$1,691,000 was made by OneMarket Network LLC to Westfield Corporation as part of the demerger settlement process.

Previous period

A distribution of US\$9,118,000 was made by OneMarket Network LLC to Westfield Corporation.

7. Audit qualification or review

Details of audit/review dispute or qualification (if any):

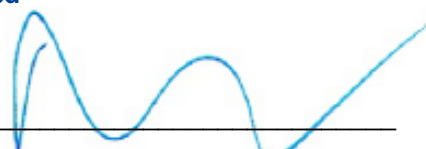
The financial statements have been audited and an unqualified opinion has been issued.

8. Attachments

Details of attachments (if any):

The Annual Report of OneMarket Limited for the period ended 31 March 2019 is attached.

9. Signed

Signed 

Steven Mark Lowy AM
Chairman
Sydney

Date: 31 May 2019



OneMarket Limited

ABN 28 623 247 549

Annual Report - 31 March 2019

Directors	Steven Mark Lowy AM - Non-Executive Chairman Joseph Robert Polverari Donald De-Wayne Kingsborough Ilana Rachel Atlas Mark Roderick Granger Johnson AO Brian James Long
Company secretaries	Simon Tuxen Mariah Younan
Notice of annual general meeting	The details of the annual general meeting of OneMarket Limited are: 28 August 2019 at 9:00am King & Wood Mallesons Level 61, Governor Phillip Tower 1 Farrer Place Sydney NSW 2000 Australia
Registered office	Level 12, 225 George Street Sydney NSW 2000 Tel: +61 2 9290 9601
Principal place of business	835 Market Street Suite 517 San Francisco CA 94103 USA Tel: +1 415 638 9495
Share register	Computershare Investor Services Pty Limited Yarra Falls, 452 Johnston Street Abbotsford VIC 3067 Tel: +61 3 9415 5000
Auditor	Ernst & Young 200 George Street Sydney NSW 2000 Tel: +61 2 9248 5060
Stock exchange listing	OneMarket Limited shares are listed on the Australian Securities Exchange (ASX code: OMN)
Website	www.onemarketnetwork.com
Business objectives	OneMarket Limited has used cash and cash equivalents held at the time of listing, in a way consistent with its stated business objectives.
Corporate Governance Statement	The Corporate Governance Statement dated 31 May 2019 which was approved at the same time as the Annual Report can be found at https://www.onemarketnetwork.com/investor-relations/corporate-governance/

The directors present their report, together with the financial statements, of the consolidated entity (referred to hereafter as 'OneMarket') consisting of OneMarket Limited (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the 15 month period ended 31 March 2019.

Directors

The following persons were directors of OneMarket Limited during the period from 1 January 2018 up to the date of this report:

Steven Lowy AM - Non-Executive Chairman
Joseph Polverari - Executive Director and Chief Executive Officer (appointed Chief Executive Officer on 19 December 2018 and appointed Executive Director on 30 January 2019)
Donald Kingsborough - Non-Executive Director (Chief Executive Officer from 1 January 2018 to 19 December 2018; Executive Director from 23 May 2018 to 31 January 2019; appointed Non-Executive Director on 1 February 2019)
Ilana Atlas - Non-Executive Director (appointed on 23 May 2018)
Mark Johnson AO - Non-Executive Director (appointed on 23 May 2018)
Brian Long - Non-Executive Director (appointed on 7 June 2018)
Elliott Rusanow - Non-Executive Director (resigned on 23 May 2018)
Michael Gutman OBE - Non-Executive Director (resigned on 23 May 2018)

Dividends

During the financial period ended 31 March 2019, a distribution of US\$1,691,000 (2017: US\$9,118,000) was made by OneMarket Network LLC to Westfield Corporation.

Principal activities

During the financial period the principal continuing activities of OneMarket, a retail technology company, consisted of developing a cloud-based, connected platform and ecosystem of customer-centric solutions, called the OneMarket Customer Activation Platform. The platform is designed to identify, understand and activate customers, online and offline, creating meaningful and continuing relationships between customers, retailers, brands and venues.

Review of operations

Financial results

OneMarket's revenue from ordinary activities during the period was US\$13,895,000.

OneMarket's loss during the period after providing for income tax and non-controlling interest was US\$92,016,000.

OneMarket had cash and term deposits of \$120.5 million as at 31 March 2019. As a result of a reduction in on-going cash expense, the period for which OneMarket has sufficient resources to meet its anticipated cash needs without additional financing was extended by approximately 12 months from late-2020 to late 2021 (calculation is consistent with the Demerger Booklet and excludes potential revenues and includes wind-up costs).

Operating Results

OneMarket's Customer Activation Platform is designed to help transform the value of every interaction between customers and the retailers, brands and venues they engage with, regardless of channel or location, for the duration of the customer lifecycle. OneMarket's Customer Activation Platform represents an innovative and differentiated way for retailers, brands and venues to identify, understand and activate customers.

OneMarket's Customer Activation Platform includes three primary, extensible Solution Categories:

- Engagement Solutions - designed to directly engage and activate customers before, during and after each purchase, regardless of channel or location, both in-store and online, via interactive digital receipts, order tracking, returns processing and automated communications;
- Advertising Solutions - built on a next-generation digital ad marketplace that enables brands and retailers to drive incremental sales by using purchase and browsing history for targeting and attribution of digital ads on a single service, across channels; and
- Analytics Solutions - utilising advanced analytics, AI and machine learning to drive customer profiling, prediction and personalisation at the Platform, Solution Category and multi-retailer Network levels.

OneMarket's Customer Activation Platform is generating encouraging, early results, significantly improving retailer-to-shopper relationship management, and achieving sales uplift and customer servicing cost reduction. Today, more than 30 retailers and venues, over 100 brands, and millions of consumer users are engaged on the OneMarket Platform.

During the 15 month period ended 31 March 2019, OneMarket has had a number of important achievements:

- In June 2018, the Group was established as an independent listed company through a demerger from Westfield Corporation concurrent with the acquisition of Westfield Corporation by Unibail-Rodamco
- In December 2018, the Board of OneMarket appointed Joe Polverari as CEO following Don Kingsborough stepping down due to health reasons
- In February 2019, OneMarket completed a strategic and operational review that resulted in a refinement of OneMarket's product portfolio to better leverage the data and advanced analytic capabilities of OneMarket's technology platform and drive revenue growth. OneMarket also reduced on-going cash expenses through a rationalization of the work force as well as a reorganization of the reporting structure to better align the organization with strategic growth objectives. As a result of the reduction in on-going cash expense, the period for which OneMarket has sufficient resources to meet its anticipated cash needs without additional financing was extended by approximately 12 months from late 2020 to late 2021 (calculation is consistent with the Demerger Booklet and excludes potential revenues and includes wind-up costs).
- In March and April 2019, OneMarket announced that it continues to be in discussions with a number of parties to join the OneMarket platform including entering into multi-year contracts with Pandora A/S and Marks & Spencer PLC. In addition, OneMarket announced that its contractual arrangement with Nordstrom with respect to the Live Receipts product expired on 6 March 2019 and was not renewed.

Significant changes in the state of affairs

On 5 December 2017 OneMarket Limited was incorporated in Australia.

On 1 January 2018, OneMarket Network LLC and its controlled entities ('US OneMarket business') were acquired by One Market Holdings, Inc. (a subsidiary of OneMarket Limited) from Westfield Corporation. The acquisition of OneMarket Network LLC did not represent a business combination in accordance with AASB 3 'Business Combinations'. On the basis that the transaction is a form of group reorganisation it was considered that OneMarket was a continuation of the US OneMarket business. Accordingly, the financial report reflects the comparative information of the US OneMarket business.

On 31 May 2018 One Market Holdings, Inc acquired One Market UK Holdings Limited and its controlled entities ('UK OneMarket business'). This acquisition has been identified as a common control transaction as Westfield Corporation controlled both businesses at the time of this acquisition. Management has elected to apply the pooling of interest method of accounting with no goodwill recognised on this transaction. Instead the UK OneMarket business was acquired at its carrying value and the difference between the carrying value and consideration paid was recognised in equity, in a common control reserve. As a result, comparatives are not restated.

On 7 June 2018, Westfield Corporation distributed OneMarket Limited to its shareholders, with Westfield Corporation shareholders receiving one share of OneMarket Limited for every 20 shares of Westfield Corporation they held. Westfield Corporation retained a 10% equity interest in OneMarket Holdings, Inc.

OneMarket has obtained relief under subsection 340(1) of the Corporations Act 2001 (Cth) permitting OneMarket to have a first annual reporting period from 1 January 2018 to 31 March 2019. During the period between 5 December 2017 and 1 January 2018, the Company was a shell company. The creation of financial statements and comparatives on the basis of a first financial year commencing on 5 December 2017 would involve a significant amount of additional work and expense for OneMarket compared to a first financial year commencing on 1 January 2018.

The Company sought relief on the basis that the costs and time involved with compliance with the financial reporting requirements on the basis of a first financial year commencing on 5 December 2017 would be unreasonably burdensome and inappropriate in the circumstances.

The effect of the ASIC order is that for financial reporting purposes, the first financial year of OneMarket has been treated as having commenced on 1 January 2018 rather than 5 December 2017 and the first financial year of OneMarket was treated as having ended on 31 March 2019.

A more detailed discussion of the above is set out in the Company's announcement dated 28 September 2018.

Refer to note 2 to the financial statements, 'Significant accounting policies', for further details on the accounting treatment of the de-merger and Group reorganisation.

On 31 May 2018, OneMarket Limited was admitted to the Official List of the Australian Securities Exchange ('ASX').

There were no other significant changes in the state of affairs of OneMarket during the financial period.

Matters subsequent to the end of the financial period

No matter or circumstance has arisen since 31 March 2019 that has significantly affected, or may significantly affect OneMarket's operations, the results of those operations, or OneMarket's state of affairs in future financial years.

Likely developments and expected results of operations

OneMarket is expected to continue to utilise significant net cash in its operations as it invests in enhancing and refining the capabilities of OneMarket's Customer Activation Platform and ecosystem of customer-centric solutions.

As highlighted in the Appendix 4C released on 23 April 2019, OneMarket estimated cash outflows for the first three months of Fiscal Year 2020 are expected to drop substantially from the last quarter due to a reduction in operating expenses offset by the timing of expenses related to the February reduction in force.

As at 31 March 2019, OneMarket has a cash balance of \$120.5m and, as previously forecast, had sufficient cash resources, excluding potential future revenues, to meet anticipated cash needs including to cover for winding up costs without additional financing until at least late-2021.

Environmental regulation

OneMarket is not subject to any significant environmental regulation under Australian Commonwealth or State law.

Information on directors

The following directors served on the board during the Financial Year:

Steven Lowy AM, Ms Ilana Atlas, Mr Michael Gutman OBE, Mr Mark Johnson AO, Mr Donald Kingsborough, Mr Brian Long, Mr. Joseph Polverari, and Mr Elliot Rusanow.

Details of the qualifications, experience, other directorships, and special responsibilities of each the Company's current Directors as at the date of this report are set out below.

Steven Lowy, AM

Term of office:

5 December 2017

Independent:

No

Skills and Experience:

Steven Lowy is the Non-Executive Chairman of OneMarket Limited. He was previously an executive Director of Westfield Corporation and served as Co-Chief Executive Officer. He holds a Bachelor of Commerce (Honours) from the University of NSW. He is a Director of the Lowy Institute and of the Lowy Medical Research Institute. Mr Lowy's previous appointments include being a non-executive director of Scentre Group, Chairman of Football Federation Australia, President of the Board of Trustees of the Art Gallery of New South Wales, Chairman of the Victor Chang Cardiac Research Institute and Presiding Officer of the NSW Police Force Associate Degree in Policing Practice Board of Management.

Ilana Atlas

Term of office:
23 May 2018

Independent:
Yes

Special responsibilities:
Audit and Risk Committee
Nomination and Remuneration Committee

Skills and Experience:

Ilana Atlas is a Non-Executive Director of OneMarket Limited. Ms Atlas was previously a partner in Mallesons Stephen Jaques (now King & Wood Mallesons) and held a number of managerial roles in the firm, including Managing Partner and Executive Partner, People & Information. In 2000 she joined Westpac as Group Secretary and General Counsel before being appointed to the role of Group Executive, People in 2003. In that role, she was responsible for human resources strategy and management as well as Westpac's approach to corporate responsibility and sustainability. Ms Atlas is Chairman of Coca-Cola Amatil Limited and Jawun. She is a Director of Australia and New Zealand Banking Group Limited, Paul Ramsay Foundation and Adara Development (Australia). She was previously Chairman of Bell Shakespeare Company, a non-executive Director of Westfield Corporation, and a Fellow of the Senate of the University of Sydney.

Mark Johnson AO

Term of office:
23 May 2018

Independent:
Yes

Special responsibilities:
Chairman of Nomination and Remuneration Committee
Audit and Risk Committee

Skills and Experience:

Mark Johnson is a Non-Executive Director of OneMarket Limited. He holds a degree in law from the University of Melbourne and a Masters of Business Administration from Harvard University. Mr Johnson is a senior advisor for Gresham Partners in Sydney, advisor in Australia to MUFG Bank, Ltd. and Chairman of Dateline Resources Limited and Alinta Energy Pty Ltd. He is Chairman of the Advisory Board of the Australian APEC Study Centre at RMIT University, Chairman of the ASIC External Advisory Panel and a Life Governor of the Victor Chang Cardiac Research Institute. He previously held senior roles in Macquarie Bank before retiring as Deputy Chairman in July 2007 and his former directorships include Pioneer International, AGL Energy and the Sydney Futures Exchange. He was also previously a non-executive Director of Westfield Corporation.

Donald Kingsborough

Term of office:
23 May 2018

Independent:
No

Skills and Experience:

Donald Kingsborough is a Non-Executive director of OneMarket. He was previously an Executive Director and the Chief Executive Officer of OneMarket Limited. Mr Kingsborough has been involved in the technology and retail sectors for the past 40 years, and has helped establish a number of successful businesses. He has held a number of senior positions — he was PayPal's vice president of global retail and corporate development, and as president of consumer products at Atari in the late '70s and early '80s. In 2001, he founded Blackhawk Network, and was its CEO for a decade, during which time he pioneered the gift card market. He was previously an executive director of Westfield Corporation.

Brian Long

Term of office:
7 June 2018

Independent:
Yes

Special responsibilities:
Chairman of Audit and Risk Committee
Nomination and Remuneration Committee

Skills and Experience:

Brian Long is a Non-Executive director of OneMarket Limited and Brambles Limited. He retired as a partner of Ernst & Young on 30 June 2010. Until that time, he was the Chairman of both the Ernst & Young Global Advisory Council and the Oceania Area Advisory Council. He was one of the firm's most experienced audit partners with over 30 years' experience in serving as audit signing partner on major Australian public companies including those in the financial services, property, insurance and media sectors. He is also a Council Member and Chairman of the audit committee of UNSW Sydney, a trustee of the Centennial Park and Moore Park Trust and previously, non-executive Director of Commonwealth Bank of Australia and Ten Network Holdings Limited.

Joseph Polverari

Term of office:
30 January 2019

Independent:
No

Skills and Experience:

Joseph Polverari is an Executive Director and the Chief Executive Officer of OneMarket Limited, where he is focused on connecting retailers, brands and consumers through technology and data. Mr. Polverari most recently served as Chief Executive Officer and Chairman of the Board at Versive, an automated data science, analytics and machine learning platform that was acquired by eSentire in October 2018. Prior to Versive, Mr. Polverari worked at Yodlee for over 15 years and served as its Chief Strategy and Development Officer. While at Yodlee, Mr. Polverari helped build, launch and lead Yodlee Interactive, their financial data and platform API service, as well as YNext, the company's big data, analytics and innovation engine.

Mr. Polverari is a graduate of the Stanford Graduate School of Business Executive Program, holds a Juris Doctorate and a degree in Economics from Santa Clara University and holds a Certificate from the Graduate Institute of International and Comparative Law in Geneva, Switzerland.

Directors relevant interests

The names of the Directors in Office and the relevant interest of each current Director of OneMarket Limited or OneMarket Holdings, Inc. (a related body corporate of OneMarket Limited) as at the date of this report are shown below.

Director	OneMarket Limited	OneMarket Holdings, Inc.
Steven Lowy AM	145,391 9,734,116*	- -
Ilana Atlas	50,000*	-
Mark Johnson AO	5,000 40,000*	- -
Donald Kingsborough	- -	48,680 104,464 RSUs**
Brian Long	-	-
Joseph Polverari	- -	34,525 750,000 RSUs**

* Shares owned indirectly

** RSUs are Restricted Stock Units that confer a right to an equivalent number of shares in OneMarket Holdings, Inc. upon vesting.

None of the Directors hold options over any issued or unissued OneMarket Limited securities. No options over any issued or unissued securities in OneMarket Limited have been issued to the directors. None of the Directors hold debentures of OneMarket Limited.

None of the Non-Executive Directors are party to or entitled to a benefit under a contract which confers a right to call for, or be delivered interests or securities in OneMarket Limited. Details of the equity linked incentives held by the Executive Directors are set out in the Remuneration Report.

Directors attendance at meetings

The number of Directors meetings, including meetings of Committees of the Board of Directors, held during the Financial Year and the number of the meetings attended by each of the Directors of the Company are shown below.

Number of meetings held:

Board of Directors	13
Audit and Risk Committee	5
Nomination and Remuneration Committee	3

	Board		Audit and Risk Committee		Nomination and Remuneration Committee	
	A	B	A	B	A	B
Steven Lowy	12	13	-	-	-	-
Joseph Polverari	2	2	-	-	-	-
Donald Kingsborough	9	10	-	-	-	-
Ilana Atlas	10	10	5	5	3	3
Mark Johnson	10	10	5	5	3	3
Brian Long	9	9	5	5	3	3
Elliot Rusanow	3	3	-	-	-	-
Michael Gutman	3	3	-	-	-	-

Key: A = Number of meeting attended. B = Number of meetings eligible to attend.

From time to time, additional Board committees are established and meetings are held throughout the year, for example, to consider material issues that may arise. These meetings are not included in the above table.

Directors' Directorships of other listed companies

The following table sets out the directorships of other Australian listed companies held by the Company's current Directors during the 3 years preceding the end of the Financial Year and up to the date of this report.

Director	Company	Date resigned
Steven Lowy AM	Westfield Corporation*	7 June 2018
	Westfield America Management Limited*	7 June 2018
	Scentre Group Limited**	4 April 2019
	Scentre Management Limited**	4 April 2019
	RE1 Limited**	4 April 2019
	RE2 Limited**	4 April 2019
Ilana Atlas	Westfield Corporation	7 June 2018
	Australia and New Zealand Banking Group Limited	Continuing
	Coca-Cola Amatil Limited	Continuing
Mark Johnson AO	Westfield Corporation	7 June 2018
Don Kingsborough	Westfield Corporation	7 June 2018
Brian Long	Brambles Limited	Continuing
	Commonwealth Bank of Australia	31 December 2018
	Ten Network Holdings Limited	25 July 2016

* Westfield Corporation comprises Westfield Corporation Limited, Westfield America Trust and WFD Trust (ASX: WFD). The responsible entity of each scheme is Westfield America Management Limited.

** Scentre Group comprises SGL, SGT1, SGT2 and SGT3. The responsible entity of SGT1 is Scentre Management Limited. The responsible entity of SGT2 is RE1 Limited and the responsible entity of SGT3 is RE2 Limited. Scentre Management Limited is also the responsible entity of Carindale Property Trust, a listed managed investment scheme (ASX: CDP).

Company secretaries

Simon Tuxen and Mariah Younan are the Company secretaries.

Simon Tuxen was the General Counsel of Westfield Corporation from 2014 to 2018. Prior to the establishment of Westfield Corporation, Mr Tuxen was Group General Counsel and Company Secretary of Westfield Group. Prior to joining Westfield in 2002, Simon Tuxen was the General Counsel of BIL International Limited in Singapore, Group Legal Manager of the Jardine Matheson Group in Hong Kong and a partner with Mallesons Stephen Jaques (now King & Wood Mallesons) from 1987 to 1996.

Mariah Younan is a qualified lawyer and Company Secretary and holds a degree in Arts (International Relations and Politics) and Law (BA LLB). She has several years' Corporate Secretarial experience at BoardRoom Limited and currently provides governance support to Boards and Executive Management of listed and unlisted companies across a range of industry sectors. Prior to BoardRoom, Mariah Younan was Legal Counsel and Company Secretary for a large technology company based in Australia, New Zealand, USA and UK.

Remuneration report (audited)

Dear Security Holders,

I am pleased to introduce the Remuneration Report for OneMarket Limited (ASX:OMN) for the period from 1 January 2018 to 31 March 2019 (the 'Financial Year').

The Financial Year has been a period of significant activity and change for OneMarket Limited. In June 2018, OneMarket was established as an independent, ASX listed company through a demerger from Westfield Corporation concurrent with the acquisition of Westfield Corporation by Unibail-Rodamco. During the Financial Year, OneMarket has been focused on executing its business plan whilst undertaking the significant challenge of realigning its operational expenses and organisational structure to be consistent with the cash resources, revenues and product and technical development focus of the business. OneMarket also has established the corporate functions necessary to stand-alone as an independent, listed company.

In December 2018, the Board of OneMarket Limited appointed Joseph Polverari as Chief Executive Officer following Donald Kingsborough stepping down from the role due to health reasons. Following the appointment of Mr Polverari, OneMarket completed a strategic and operational review that resulted in a refinement of OneMarket's product portfolio to better leverage the data and advanced analytic capabilities of OneMarket's advanced technology platform and drive revenue growth. OneMarket also reduced on-going cash expenses through a rationalisation of the work force as well as a reorganisation of the reporting structure to better align the organisation with strategic growth objectives.

Our priority is to ensure that the remuneration structures we have in place are appropriate to enable OneMarket to attract and retain the best talent in the markets in which it operates. Having regard to the highly competitive market for executives with advanced technology expertise, we require a high degree of flexibility in our remuneration practices and our approach to talent recruitment and retention.

For the Financial Year, our remuneration structure included fixed remuneration in the form of base salary and benefits, Short Term Incentive (or 'STI') payments, and Long Term Incentive (or 'LTI') in form of equity awards.

STI payments to KMP in the Financial Year were at or below the target level. During the Financial Year, we exercised our discretion to consider performance with respect to matters which were not identified as part of the initial KPI process, including the demerger of OneMarket from Westfield Corporation and the listing of OneMarket on the ASX.

Prior to the incorporation of OneMarket Limited in December 2017, the organizational structure and focus of OneMarket's business was substantially different. For this reason, KMP remuneration for the 12 month period ended 31 December 2017 cannot reasonably be compared and therefore is not included in this report.

No material changes to policy or entitlements have been implemented for the current financial year.

I trust you will find the report helpful in understanding the remuneration policies and practices of OneMarket Limited.

Mark Johnson AO
Chairman of the Nomination and Remuneration Committee

Background to this report

This Remuneration Report, prepared in accordance with the requirements of the Corporations Act 2001 and the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (3rd edition), provides an overview of OneMarket Limited's remuneration policies and practices in the Financial Year. This report has been audited by Ernst & Young.

OneMarket currently does not have business operations in Australia. Rather, our operating businesses are located in the United States and the United Kingdom and our revenues are derived in currencies other than the Australian dollar. For the Financial Year, our accounts have been prepared and disclosed in US dollars. Our executive team is paid in U.S. dollars or British pounds. For this reason, unless noted otherwise, all disclosures in this Report are in US dollars.

In this report, Key Management Personnel (or 'KMP') are those individuals having the authority and responsibility for planning, directing, and controlling the activities of OneMarket, either directly or indirectly. They comprise Non-Executive Directors, Executive Directors, and other executives considered KMP.

KMP of OneMarket Limited during the Financial Year are listed in section 1.6 of this report. There have been no changes to KMP since the end of the reporting period.

The structure of this report is as follows:

- 1.1 Nominating and Remuneration Committee
- 1.2 Remuneration policy objectives
- 1.3 Corporate performance
- 1.4 Remuneration structure
- 1.5 Remuneration of Non-Executive Directors
- 1.6 Remuneration of Key Management Personnel
- 1.7 Share-based compensation
- 1.8 Executive service agreements and termination arrangements
- 1.9 Additional disclosures relating to key management personnel

1.1 Nomination and Remuneration Committee

The Board is responsible for setting remuneration policy and overseeing the implementation of that policy in a manner which reflects the objectives set out in Section 1.2. The Nomination and Remuneration Committee (or the 'Committee') is responsible for making recommendations to the Board. The Committee's activities are governed by its Charter, a copy of which is available at www.onemarketnetwork.com/investor-relations/corporate-governance.

The Committee comprises Mr. Mark Johnson (Chairman) together with Ms Ilana Atlas and Mr Brian Long. The Company classifies each of these directors as independent.

In addition to making recommendations on remuneration policies and practices affecting OneMarket, the Committee considers the specific remuneration packages of the Executive Directors, KMP and key members of the senior executive team. The Committee also considers all aspects of the 2018 Equity Incentive Plan (or the 'Equity Plan') in which executives participate, the total level of awards issued under the Equity Plan, and the general administration (including the exercise of any discretionary power) of the Equity Plan. The Committee also considers other human resources issues such as succession planning and diversity.

The Committee met three times during the Financial Year. The full Committee was in attendance at all three meetings.

In setting remuneration levels and formulating remuneration and human resource policies, the Committee and the Board utilise the services of specialist human resources and remuneration consultants. Mr Mark Bieler of Mark Bieler Associates (based in New York), in conjunction with OneMarket's Chief People Officer, provides advice to the Committee and the Board and coordinates the work performed for OneMarket by other external human resource consultants. Mr Bieler attends all Nomination and Remuneration Committee and Board meetings where human resources and remuneration items are discussed. He is available to consult directly with the Committee members at all times.

Mark Bieler Associates' services to the Board included making recommendations related to matters such as the remuneration environment in the various jurisdictions in which OneMarket operates, the design of the Company's remuneration structures and plans (including the Short Term Incentive Plan and the Long Term Incentive Plan), and benchmarking the levels of remuneration for the members of the senior executive team, including KMP. Mark Bieler Associates also provides other services to the Company on human resources related issues, including in relation to senior level recruiting, succession planning, and counselling and mentoring of members of the senior executive team.

Mark Bieler Associates was paid a total of US\$90,000 in connection with these non-remuneration related services provided to the Company in the Financial Year. Mark Bieler Associates was paid a further US\$58,688 as reimbursement for expenses incurred in the provision of these services. Mr Bieler also received a Restricted Stock Unit ('RSU') award over ordinary shares in OneMarket Holdings, Inc. pursuant to the 2018 Equity Incentive Plan in the amount of 50,000 RSUs. The RSUs granted to Mr Bieler had a vesting commencement date of June 11, 2018 and are subject to time-based vesting conditions only. Time-based vesting takes place in equal quarterly instalments over a 4-year period.

In the Financial Year, the Company also utilised the services of Willis Towers Watson to assist in the design and benchmarking of the Equity Plan, including recommendations as to the total size of the equity pool available to employees and benchmarking of equity grant levels for the senior executive team. Willis Towers Watson was paid a total of US\$53,689 in connection with the non-remuneration advice provided to the company in the Financial Year.

The Committee and the Board continue to observe market trends in different jurisdictions over time, recognizing the need to align OneMarket's remuneration structures more closely with the markets in which we operate in order to attract and retain the best talent.

1.2 Remuneration policy objectives

The principal remuneration objectives of OneMarket are to:

- (a) Fairly reward executives having regard to their individual performance against agreed objectives, the overall performance of OneMarket's business, and the external compensation environment in which OneMarket operates.
- (b) Enable OneMarket to attract and retain key executives capable of contributing to the development of OneMarket's business, who will create sustainable value for shareholders and other stakeholders.
- (c) Appropriately align the interests of executives with shareholders

The remuneration provided to OneMarket executives take into account the highly competitive and rapidly changing nature of the high technology industry in San Francisco and nearby Silicon Valley so as to attract and retain the best technology talent available.

1.3 Corporate performance

Full details of OneMarket's financial and operating results are contained in the 'Review of operations' section of the Directors Report.

1.4 Remuneration structure

OneMarket's remuneration to its employees is based heavily on individual and corporate outcomes. The broad remuneration structure adopted by OneMarket comprises:

- (a) Base salary
- (b) Short term incentive – comprising a cash performance payment
- (c) Long term incentive – comprising Restricted Stock Units awards granted under the 2018 Equity Incentive Plan as described below

OneMarket's remuneration practices are regularly benchmarked against its competitors in the US and the UK.

Base salary

Base salary, or fixed remuneration, is reviewed annually by the Nomination and Remuneration Committee based on individual and business unit performance, the overall performance of the Company, and comparable market remunerations.

The fixed remuneration for OneMarket's KMP for the current financial year ended 31 March 2019 is set out in the tables in Section 1.6.

Short term incentives

Short term incentives or STIs are at risk remuneration and are closely linked to the performance of the executive measured against objectives ('KPIs') which are established each year pursuant to a performance review and development system. Under that system, senior management and the executives work together prior to the commencement of each financial year to establish agreed business and personal development objectives. These KPIs are designed to recognize and reward both financial and non-financial performance. The objectives will vary according to the role of the particular executives.

At the commencement of each financial year, each member of the senior executive team is advised of a target STI, which is the amount OneMarket would expect to pay or award an executive for performance which meet the high expectations of OneMarket as reflected in the KPIs set for that executive. The target STI reflects the maximum amount OneMarket would pay to that executive for performance against those KPIs.

The actual STI awarded to members of the senior executive team is determined by the Board (taking into account recommendations made by the Nomination and Remuneration Committee) reviewing performance of the executive against the agreed KPIs, the corporate performance of the Company and any other aspect of the executive's performance which is considered relevant in the context of the review.

KPIs for the senior executive team in the Financial Year included:

- (a) Innovation and product development: The development and implementation of a retail technology platform and associated products designed to connect customers with the retailers, brands and venues they engage with and to transform the value of every interaction between them.
- (b) Financial management and compliance: Oversight of compliance of the Company's statutory and financial reporting obligations including the financial statements and quarterly information and other financial reporting and presentations required in the Company's business.
- (c) Business development: Establishment of commercial, revenue producing relationships with retailers, brands and venue operators.
- (d) Data protection and compliance: Establishment of a compliance program designed to: (1) protect and secure data held by OneMarket and the privacy of third parties to whom data relates; and (2) ensure compliance with privacy laws and regulations in the jurisdictions in which OneMarket operates.
- (e) Demerger and ASX Listing: Establishment of OneMarket as a standalone, ASX listed company. Work on this project was considered as a KPI despite it not being identified as part of the annual process of objective setting at the beginning of the year.
- (f) Leadership Development: Attract and retain a leadership team and staff capable of executing the business plan.

Details of the Short-Term Incentives paid to KMP are set out in the tables in Section 1.6. During the Financial Year, the Committee exercised its discretion to consider performance with respect to matters which were not identified as part of the initial KPI process, including the demerger of OneMarket from Westfield Corporation and the listing of OneMarket on the ASX.

Long term incentives

During the Financial Year, One Market employees received Restricted Stock Unit ('RSU') awards over ordinary shares in OneMarket, Inc. common stock pursuant to the 2018 Equity Incentive Plan. The RSUs awarded confer a right to an equivalent number of shares in OneMarket Holdings, Inc. upon vesting. The vesting requirements that apply under the 2018 Equity Incentive Plan are determined annually by the OneMarket Board.

For RSU awards made to the majority of employees in the Financial Year, vesting occurs after both of a time vesting condition and a liquidity event condition has been satisfied ('Dual Vesting RSUs'). The time vesting condition will be satisfied over a 4-year term with the condition satisfied as to 25% of the award on the first anniversary of the date of grant and then monthly on a pro rata basis over the following three years. The liquidity event condition will be satisfied when OneMarket Holdings, Inc. undergoes a change in control or conducts an initial public offering of its common stock. Any plan participant who ceases to provide services to OneMarket prior to full vesting of the award will forfeit any RSUs as to which the time vesting condition has not been satisfied, and any RSUs as to which the time vesting condition has been satisfied as of the termination of the participant's service will remain eligible to vest if a liquidity event occurs before the deadline specified in the participant's RSU agreement. If a liquidity event does not occur by such deadline, the then-unvested portion of the participant's award will be forfeited.

The KMP and certain other members of OneMarket's senior executive team received RSUs that are subject to time-based vesting conditions only ('Time Vesting RSUs'). Time-based vesting takes place in equal quarterly instalments over a 4-year period.

The long-term incentives granted to KMP pursuant to the 2018 Equity Incentive Plan are set out in the tables in Section 1.7.

1.5 Remuneration of Non-Executive Directors

Fees and payments to non-executive directors reflect the demands and responsibilities of their role. Non-executive directors' fees and payments are reviewed annually by the Nomination and Remuneration Committee. The Nomination and Remuneration Committee may, from time to time, receive advice from independent remuneration consultants to ensure non-executive directors' fees and payments are appropriate and in line with the market. The chairman's fees are determined independently to the fees of other non-executive directors based on comparative roles in the external market. The chairman is not present at any discussions relating to the determination of his own remuneration. Non-executive directors do not receive share options or other incentives.

ASX listing rules require the aggregate non-executive directors' remuneration be determined periodically by a general meeting. The most recent determination was disclosed in the Information Memorandum dated 31 May 2018, where the maximum annual aggregate remuneration is AUD\$1,800,000.

1.6 Remuneration of Key Management Personnel

Amounts of remuneration

Details of the remuneration of KMP of OneMarket are set out in the following tables.

The KMP of OneMarket consisted of the following directors of OneMarket Limited:

- Steven Lowy AM - Non-Executive Chairman
- Joseph Polverari - Executive Director and Chief Executive Officer (appointed Chief Executive Officer on 19 December 2018 and appointed Executive Director on 30 January 2019)
- Donald Kingsborough - Non-Executive Director (Chief Executive Officer from 1 January 2018 to 19 December 2018; Executive Director from 23 May 2018 to 31 January 2019; appointed Non-Executive Director on 1 February 2019)
- Ilana Atlas - Non-Executive Director (appointed on 23 May 2018)
- Mark Johnson AO - Non-Executive Director (appointed on 23 May 2018)
- Brian Long - Non-Executive Director (appointed on 7 June 2018)
- Elliott Rusanow - Non-Executive Director (resigned on 23 May 2018)
- Michael Gutman OBE - Non-Executive Director (resigned on 23 May 2018)

And the following senior executives:

- Mike Blandina - Executive Vice President, Product and Engineering and Chief Technology Officer (resigned on 13 February 2019)
- Todd Suko – Chief Financial and Legal Officer (appointed on 1 November 2018)

	Short-term benefits			Post-employment benefits		Other long-term benefits	Share-based payments	Total
	Cash salary and fees	STI	Non-monetary	Retirement benefits	Severance	Westfield Stock Plan expense	Equity-settled	
	US\$	US\$	US\$	US\$	US\$	US\$	US\$	
15 months ended 31 Mar 2019								
<i>Non-Executive Directors:</i>								
S Lowy*	156,403	-	-	7,333	-	-	-	163,736
D Kingsborough**	50,000	-	-	-	-	-	40,501	90,501
I Atlas*	113,052	-	-	7,333	-	-	-	120,385
M Johnson*	113,052	-	-	7,333	-	-	-	120,385
B Long*	107,282	-	-	7,333	-	-	-	114,615
<i>Executive KMP:</i>								
J Polverari**	213,462	437,200	24,056	-	-	-	432,062	1,106,780
D Kingsborough**	1,518,904	700,000	134,821	26,392	1,428,807	4,118,527	560,862	8,488,313
M Blandina*	728,356	146,250	25,355	6,700	650,000	3,298,654	162,038	5,017,353
T Suko**	237,877	176,094	13,952	9,327	-	-	219,046	656,296
	<u>3,238,388</u>	<u>1,459,544</u>	<u>198,184</u>	<u>71,751</u>	<u>2,078,807</u>	<u>7,417,181</u>	<u>1,414,509</u>	<u>15,878,364</u>

- * represents remuneration from the date of appointment to 31 March 2019 or to date of resignation
- ** Mr Kingsborough was the Chief Executive Officer from 1 January 2018 to 19 December 2018 and an Executive Director from 23 May 2018 to 31 January 2019. He was a Non-Executive Director from 1 February 2019 to 31 March 2019. Mr Kingsborough's remuneration during the period in which he was the Chief Executive Officer is presented separately from his remuneration during the period in which he was a Non-Executive Director. Mr Kingsborough's severance included US\$28,807 in medical premium payments (COBRA) as stipulated in his contract of employment. Mr Kingsborough's remuneration as a Non-Executive Director includes US\$33,333 of consulting fees and US\$16,667 of directors' fees for the period from 1 February 2019 to 31 March 2019.
- *** Mr Polverari was the CEO from 19 December 2018 to 31 March 2019 and Non-Executive Director from 30 January 2019 to 31 March 2019. STI paid to Mr Polverari during the period included a signing incentive of US\$275,000.
- **** Mr. Suko was the General Counsel from 1 January 2018 to 31 October 2018. Mr. Suko was designated KMP as at the date of his appointment as Chief Financial and Legal Officer on 1 November 2018. Remuneration paid to Mr. Suko during the Financial Year prior to his appointment as Chief Financial and Legal Officer is not included in the above table.

Non-monetary benefits during the period included customary health and welfare benefits and reimbursement for certain transportation costs. Mr Kingsborough's non-monetary benefits included payment of housing costs in the amount of \$95,715.

Westfield Stock Plan expense relates to certain employee incentives that were paid out pursuant to Westfield Corporation equity plans in connection with the demerger of OneMarket from Westfield Corporation and the concurrent acquisition of Westfield Corporation by Unibail-Rodamco. Westfield Corporation funded this expense.

Non-Executive Directors Mr Rusanow and Mr Gutman were executives of Westfield Corporation during their terms as Directors of OneMarket Limited and did not receive any remuneration for their service as directors of OneMarket Limited.

The proportion of remuneration linked to performance and the fixed proportion are as follows:

Name	Fixed remuneration 15 months ended 31 Mar 2019	At risk - STI 15 months ended 31 Mar 2019	At risk - LTI 15 months ended 31 Mar 2019
<i>Non-Executive Directors:</i>			
S Lowy	100%	-	-
I Atlas	100%	-	-
M Johnson	100%	-	-
B Long	100%	-	-
<i>Executive KMP:</i>			
J Polverari	21%	40%	39%
D Kingsborough	70%	16%	14%
M Blandina	82%	9%	9%
T Suko	40%	27%	33%

The calculations in the table above exclude any remuneration received from the Westfield Stock Plan payouts.

The proportion of the STI paid/payable or forfeited is as follows:

Name	STI paid/payable 15 months ended 31 Mar 2019	STI forfeited 15 months ended 31 Mar 2019
<i>Non-Executive Directors:</i>		
D Kingsborough	50%	50%
<i>Executive KMP:</i>		
J Polverari	100%	-
M Blandina	20%	80%
T Suko	75%	25%

The percentages of STI paid and forfeited in the above table represents the amount of STI each KMP was eligible for during OneMarket's STI performance measurement period (1 January 2018 to 15 February 2019). The compensation table above includes STI paid during the period and an accrual for STI payable from 16 February 2019 to 31 March 2019 at 70% of target.

1.7 Share-based compensation

Issue of shares

There were no shares in OneMarket Limited issued to directors and other key management personnel as part of compensation during the period ended 31 March 2019.

Restricted stock units ('RSUs')

The terms and conditions of each grant of RSUs over ordinary shares in OneMarket Holdings, Inc. affecting remuneration of directors and other key management personnel in this financial period or future reporting years are as follows:

Name	Number of RSUs granted	Grant date	Vesting commencement date	Fair value per RSU at grant date
D Kingsborough	500,000	12/07/2018	11/06/2018	US\$4.47
D Kingsborough	200,000	12/07/2018	11/06/2018	US\$4.47
J Polverari	800,000	25/01/2019	11/12/2018	US\$2.26
M Blandina	290,000	12/07/2018	11/06/2018	US\$4.47
T Suko	220,000	12/07/2018	11/06/2018	US\$4.47
T Suko	40,000	13/12/2018	11/12/2018	US\$2.26

RSUs granted carry no dividend or voting rights.

All RSUs awarded to KMP were Time Vesting RSUs that vest in equal quarterly instalments over a 4 year period from the vesting commencement date.

The number of RSUs over ordinary shares in OneMarket Holdings, Inc. granted to, vested by and lapsed by directors and other key management personnel as part of compensation during the 15 months ended 31 March 2019 are set out below:

Name	Number of RSUs granted	Number of RSUs vested	Number of RSUs forfeited
D Kingsborough	700,000	95,536	500,000
J Polverari	800,000	50,000	-
M Blandina*	290,000	36,250	-
T Suko	260,000	43,750	-
	<u>2,050,000</u>	<u>225,536</u>	<u>500,000</u>

- * Mr Blandina subsequently forfeited 253,750 unvested RSUs on 14 May 2019 pursuant to the terms of his service agreement.

Values of RSUs over ordinary shares in OneMarket Holdings, Inc. granted and vested for directors and other key management personnel as part of compensation during the period ended 31 March 2019 are set out below:

Name	Value of RSUs granted during the period US\$	Value of RSUs vested during the period US\$
D Kingsborough	3,129,000	264,491
J Polverari	1,808,000	99,500
M Blandina	1,296,300	102,949
T Suko	1,073,800	110,438

The value of Time Vesting RSU's granted to KMP is calculated by an independent valuation firm on the grant date and on each subsequent quarterly vesting date.

1.8 Service agreements and termination arrangements

OneMarket's senior executives are currently employed under written employment agreements governed by California law. Each of these agreements is generally terminable "at will", which means that either the employee or the company may terminate the employment relationship without notice at any time. The employment agreements provide the terms of the remuneration which may be conferred on the employees during their period of employment (such as base salary, performance payments, participation in incentive plans, and severance payments and benefits).

In connection with their employment, employees typically enter into a non-disclosure, non-solicitation and assignment agreement that includes customary provisions governed by California law relating to the non-disclosure of confidential information, non-solicitation of employees and confirming that all products, inventions and intellectual property developed during the term of the employee's employment is owned by their employer.

Enforcement of post-termination non-compete restrictions in employment contracts is a matter of state law in the United States and courts generally look unfavourably on non-compete provisions that are not narrowly drawn. California, in particular, prohibits non-compete agreements, except in certain very limited circumstances. As a result, the employment agreements of any OneMarket employees located in California do not include non-compete provisions.

Remuneration and other terms of employment for KMP are set out in written agreements with OneMarket Network LLC effective from the effective date of employment or the effective date of the demerger, whichever is later (the "Employment Agreements"). The Employment Agreements are governed by the laws of the State of California. The key terms of the Employment Agreements for Joseph Polverari, the Chief Executive Officer, and Todd Suko, the Chief Financial and Legal Officer, are set out below.

- (a) Fixed remuneration:
 Mr. Polverari's current base salary is US\$750,000 and Mr. Suko's is US\$575,000 reviewed annually. Mr. Polverari and Mr. Suko also are provided with health insurance benefits, retirement benefit contributions and other fringe benefits which are standard for US companies.
- (b) Termination:
 The KMP's employment is at will and may be terminated either by the KMP or by the Company at any time with or without advance cause or notice.

If a "Qualified Termination" occurs, the KMP will receive a lump sum payment equal to 100% of his base salary and a payment representing health insurance benefits for a period of up to 12 months from the date of termination of the KMP's employment. Where the Qualified Termination occurs during the period beginning 3 months prior to and ending 12 months following a change of control event, then the KMP will also receive 100% of his target STI and any equity awards that the KMP has immediately vest and (except in the case of Mr. Polverari, if the change in control event occurs in the first year of Mr. Polverari's employment, only 50% vest), in the case of RSUs or stock appreciation rights, become exercisable.

A "Qualified Termination" will occur if:

- (a) Employment is terminated by OneMarket Network LLC without "Cause";
- (b) termination is by reason of death or disability; or
- (c) KMP terminates his/her employment with OneMarket Network LLC for Good Reason.

The circumstances in which OneMarket Network LLC may terminate the KMP's employment for "Cause" include where the KMP:

- (a) continues to wilfully fail to perform his duties, after receiving written notice of such failure;
- (b) materially violates a OneMarket policy or a written agreement or covenant with OneMarket Network LLC;
- (c) is convicted of, or enters a plea of guilty or nolo contendere to, a felony;
- (d) commits gross misconduct that is injurious to OneMarket Network LLC or commits any act of fraud, embezzlement or dishonesty that is reasonably likely to result in material injury to OneMarket Network LLC; or
- (e) wilfully fails to cooperate with an investigation authorised by the board of OneMarket Network LLC or initiated by a government authority relating to OneMarket.

The circumstances in which a KMP may terminate his employment for Good Reason include where:

- (a) there is a material breach of the Employment Agreement by OneMarket Network LLC;
- (b) there is a material reduction of the KMP's duties or responsibilities;
- (c) there is a reduction in the KMP's annual base salary, except where the reduction also applies to substantially all other similarly situated employees and does not exceed 10%; or
- (d) the KMP's primary work location is relocated by more than 30 miles.

If the termination of a KMP's employment is not a Qualified Termination, that KMP will not be entitled to receive severance or other benefits.

1.9 Additional disclosures relating to key management personnel

Shareholding

The number of shares in the Company held during the financial period by each director and other members of KMP of OneMarket, including their personally related parties, is set out below:

	Balance at the start of the period	Received as part of remuneration	Additions	Disposals/ other	Balance at the end of the period
<i>Ordinary shares</i>					
S Lowy	-	-	9,879,507	-	9,879,507
I Atlas	-	-	50,000	-	50,000
M Johnson	-	-	45,000	-	45,000
	-	-	9,974,507	-	9,974,507

The number of shares in OneMarket Holdings, Inc. held during the financial period by each director and other members of KMP of OneMarket, including their personally related parties, is set out below:

	Balance at the start of period	Received as part of remuneration	Additions*	Disposals/ other	Balance at the end of the period
<i>Ordinary shares</i>					
J Polverari	-	-	34,525	-	34,525
D Kingsborough	-	-	48,680	-	48,680
M Blandina	-	-	20,318	-	20,318
T Suko	-	-	23,994	-	23,994
	-	-	127,517	-	127,517

* As at 31 March 2019, KMP had vested a total of 225,536 RSUs. OneMarket withheld 98,019 of these shares in exchange for the payment of income taxes due on the vested shares. Withheld shares are returned to the Equity Plan pool and are eligible to be re-allocated to employees through future awards.

Restricted stock unit holding

The number of RSUs over ordinary shares in OneMarket Holdings, Inc. held during the financial period by each director and other members of key management personnel of OneMarket, including their personally related parties, is set out below:

	Balance at the start of the period	Granted	Vested	Expired/ forfeited/ other	Balance at the end of the period
<i>RSUs over ordinary shares</i>					
D Kingsborough	-	700,000	(95,536)	(500,000)	104,464
J Polverari	-	800,000	(50,000)	-	750,000
M Blandina*	-	290,000	(36,250)	-	253,750
T Suko**	-	260,000	(43,750)	-	216,250
	-	<u>2,050,000</u>	<u>(225,536)</u>	<u>(500,000)</u>	<u>1,324,464</u>

* Mr Blandina subsequently forfeited 253,750 unvested RSUs on 14 May 2019 pursuant to the terms of his service agreement.

** Mr Suko received an award of 220,000 RSUs prior to his designation as KMP and received an additional award of 40,000 RSUs after his designation as KMP.

OneMarket issued shares under terms and conditions no more favourable than those the Group would have adopted if dealing at arm's length.

Other transactions with key management personnel and their related parties

Mr Kingsborough is a party to a consulting agreement with OneMarket Network, LLC (a related body corporate of OneMarket Limited) dated 1 February 2019. Pursuant to that agreement, Mr Kingsborough is entitled to annual fees in the amount of US\$200,000 and reimbursement of reasonable costs and expenses related to Mr Kingsborough's performance of the consulting agreement. During the 15 month period ended 31 March 2019, consultancy fees of US\$33,333 were paid to Mr Kingsborough.

This concludes the remuneration report, which has been audited.

Shares under restricted stock units

There were no unissued ordinary shares of OneMarket Limited under option outstanding at the date of this report.

Unissued ordinary shares of OneMarket Holdings, Inc. under RSUs at the date of this report are as follows:

Grant date	Expiry date*	Number under RSUs
12/07/2018	12/07/2022	1,787,064
13/12/2018	13/12/2022	169,350
25/01/2019	25/01/2023	<u>750,000</u>
		<u><u>2,706,414</u></u>

* Expiry dates only apply to Dual Vesting RSUs.

No person entitled to exercise the RSU had or has any right by virtue of the RSU to participate in any share issue of the Company or of any other body corporate.

Shares issued on the exercise of restricted stock units

There were no ordinary shares of OneMarket Limited issued on the exercise of options during the period ended 31 March 2019 and up to the date of this report.

The following ordinary shares of OneMarket Holdings, Inc. were issued during the period ended 31 March 2019 and up to the date of this report on the exercise of RSUs granted:

Date RSU granted	Number of shares issued
12/07/2018	309,286
13/12/2018	2,500
25/01/2019	50,000
	<hr/>
	361,786
	<hr/> <hr/>

As at 31 March 2019, a total of 361,786 RSUs were vested. OneMarket withheld 155,707 of these shares in exchange for the payment of income taxes due on the vested shares. Withheld shares are returned to the Equity Plan pool and are eligible to be re-allocated to employees through future awards.

Indemnity and insurance of officers

The Company has indemnified the directors and executives of the Company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial period, the Company paid a premium in respect of a contract to insure the directors and executives of the Company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

Indemnity and insurance of auditor

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young, as part of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount), other than a loss arising from Ernst & Young's negligent, wrongful or wilful acts or omissions. No payment has been made to indemnify Ernst & Young during the financial period and up to the date of this report.

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 Company, or to intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

Non-audit services

Details of the amounts paid or payable to the auditor for non-audit services provided during the financial period by the auditor are outlined in note 25 to the financial statements.

The directors are satisfied that the provision of non-audit services during the financial period, by the auditor (or by another person or firm on the auditor's behalf), is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The directors are of the opinion that the services as disclosed in note 25 to the financial statements do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as advocate for the Company or jointly sharing economic risks and rewards.

Rounding of amounts

The Company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

Auditor's independence declaration

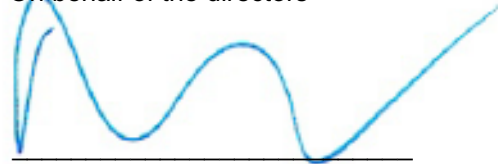
A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

Auditor

Ernst & Young continues in office in accordance with section 327 of the Corporations Act 2001.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors



Steven Mark Lowy AM
Chairman

31 May 2019
Sydney



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Auditor's Independence Declaration to the Directors of OneMarket Limited

As lead auditor for the audit of the financial report of OneMarket Limited for the financial year ended 31 March 2019, 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 audit; and
- b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of OneMarket Limited and the entities it controlled during the financial year.



Ernst & Young



Douglas Bain
Partner
31 May 2019

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OneMarket Limited
Statement of profit or loss and other comprehensive income
For the period ended 31 March 2019



The results for the period ended 31 March 2019 comprise the earnings of OneMarket Limited which includes OneMarket Network LLC from 1 January 2018 and the OneMarket UK business from 31 May 2018. The results for the comparative period ended 31 December 2017 represent the results of OneMarket Network LLC including controlled entities (relating to Westfield Corporation) which are no longer part of OneMarket Network LLC.

	Note	Consolidated 15 months ended 31 Mar 2019 US\$'000	12 months ended 31 Dec 2017 US\$'000
Revenue from contracts with customers from continuing operations	5	13,895	31,174
Other income	6	3,248	-
Interest revenue		3,293	-
Expenses			
Employee benefits expense	7	(68,854)	(60,453)
Communication and technology expenses		(6,940)	(8,817)
Contract labour and consultancy expenses		(18,644)	(27,324)
Direct costs and consumables used		(5,594)	(1,472)
Occupancy expenses		(4,167)	(1,986)
Impairment of assets	14	-	(46,867)
Travel expenses		(2,070)	(3,042)
Other expenses		(5,291)	(4,150)
Depreciation and amortisation expense	7	(1,735)	(472)
Transaction expenses		(3,749)	(713)
Corporate overheads		(548)	(11,763)
Finance costs	7	(1)	(5,630)
Loss before income tax (expense)/benefit from continuing operations		(97,157)	(141,515)
Income tax (expense)/benefit	8	(2)	9,109
Loss after income tax (expense)/benefit from continuing operations		(97,159)	(132,406)
Profit after income tax expense from discontinued operations	9	-	54,786
Loss after income tax (expense)/benefit for the period		(97,159)	(77,620)
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		33	-
Other comprehensive income for the period, net of tax		33	-
Total comprehensive income for the period		<u>(97,126)</u>	<u>(77,620)</u>
Loss for the period is attributable to:			
Non-controlling interest		(5,143)	-
Owners of OneMarket Limited		(92,016)	(77,620)
		<u>(97,159)</u>	<u>(77,620)</u>

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

OneMarket Limited
Statement of profit or loss and other comprehensive income
For the period ended 31 March 2019



		Consolidated	
	Note	15 months ended 31 Mar 2019 US\$'000	12 months ended 31 Dec 2017 US\$'000
Total comprehensive income for the period is attributable to:			
Continuing operations		(5,143)	-
Discontinued operations		-	-
Non-controlling interest		<u>(5,143)</u>	<u>-</u>
Continuing operations		(91,983)	(132,406)
Discontinued operations		-	54,786
Owners of OneMarket Limited		<u>(91,983)</u>	<u>(77,620)</u>
		<u>(97,126)</u>	<u>(77,620)</u>
		Cents	Cents
Earnings per share for loss from continuing operations attributable to the owners of OneMarket Limited			
Basic earnings per share	35	(91.05)	(639.32)
Diluted earnings per share	35	(91.05)	(639.32)
Earnings per share for profit from discontinued operations attributable to the owners of OneMarket Limited			
Basic earnings per share	35	-	264.53
Diluted earnings per share	35	-	264.53
Earnings per share for loss attributable to the owners of OneMarket Limited			
Basic earnings per share	35	(91.05)	(374.79)
Diluted earnings per share	35	(91.05)	(374.79)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

	Note	Consolidated 31 Mar 2019 US\$'000	31 Dec 2017 US\$'000
Assets			
Current assets			
Cash and cash equivalents	10	9,778	11,343
Trade and other receivables	11	3,658	4,916
Term deposits	12	110,690	-
Prepayments		1,503	1,921
Total current assets		<u>125,629</u>	<u>18,180</u>
Non-current assets			
Plant and equipment	13	1,775	3,363
Total non-current assets		<u>1,775</u>	<u>3,363</u>
Total assets		<u>127,404</u>	<u>21,543</u>
Liabilities			
Current liabilities			
Trade and other payables	15	6,902	13,027
Contract liabilities	16	175	-
Income tax		2	-
Employee benefits		1,158	7,655
Contingent and deferred consideration	17	-	1,315
Total current liabilities		<u>8,237</u>	<u>21,997</u>
Non-current liabilities			
Contingent and deferred consideration	18	175	4,170
Total non-current liabilities		<u>175</u>	<u>4,170</u>
Total liabilities		<u>8,412</u>	<u>26,167</u>
Net assets/(liabilities)		<u>118,992</u>	<u>(4,624)</u>
Equity			
Issued capital	19	187,166	186,541
Reserves	20	301,152	65,896
Accumulated losses		(349,077)	(257,061)
Equity/(deficiency) attributable to the owners of OneMarket Limited		139,241	(4,624)
Non-controlling interest		(20,249)	-
Total equity/(deficiency)		<u>118,992</u>	<u>(4,624)</u>

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

OneMarket Limited
Statement of changes in equity
For the period ended 31 March 2019



Consolidated	Issued capital US\$'000	Reserves US\$'000	Accumulated losses US\$'000	Non-controlling interest US\$'000	Total deficiency in equity US\$'000
Balance at 1 January 2017	33,259	-	(41,779)	-	(8,520)
Loss after income tax benefit for the period	-	-	(77,620)	-	(77,620)
Other comprehensive income for the period, net of tax	-	-	-	-	-
Total comprehensive income for the period	-	-	(77,620)	-	(77,620)
<i>Transactions with owners in their capacity as owners:</i>					
Contributions of equity, net of transaction costs (note 19)	162,400	-	-	-	162,400
Distributions of equity	(9,118)	-	-	-	(9,118)
Disposal of subsidiary to controlling entity	-	65,896	(137,662)	-	(71,766)
Balance at 31 December 2017	<u>186,541</u>	<u>65,896</u>	<u>(257,061)</u>	<u>-</u>	<u>(4,624)</u>
Consolidated	Issued capital US\$'000	Reserves US\$'000	Accumulated losses US\$'000	Non-controlling interest US\$'000	Total equity US\$'000
Balance at 1 January 2018	186,541	65,896	(257,061)	-	(4,624)
Loss after income tax expense for the period	-	-	(92,016)	(5,143)	(97,159)
Other comprehensive income for the period, net of tax	-	33	-	-	33
Total comprehensive income for the period	-	33	(92,016)	(5,143)	(97,126)
<i>Transactions with owners in their capacity as owners:</i>					
Distributions of equity	(1,691)	-	-	-	(1,691)
Part disposal of subsidiary to non-controlling interests	-	41,476	-	(15,106)	26,370
Contribution from Westfield Corporation	-	5,799	-	-	5,799
Group reorganisation - acquisition of OneMarket Network LLC	(17,209)	198,919	-	-	181,710
Acquisition of commonly controlled entity - OneMarket UK Holdings Limited (note 29)	19,525	(13,226)	-	-	6,299
Share-based payments	-	2,255	-	-	2,255
Balance at 31 March 2019	<u>187,166</u>	<u>301,152</u>	<u>(349,077)</u>	<u>(20,249)</u>	<u>118,992</u>

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

OneMarket Limited
Statement of cash flows
For the period ended 31 March 2019



The results for the period ended 31 March 2019 comprise the earnings of OneMarket Limited which includes OneMarket Network LLC from 1 January 2018 and the OneMarket UK business from 31 May 2018. The results for the comparative period ended 31 December 2017 represent the results of OneMarket Network LLC including controlled entities (relating to Westfield Corporation) which are no longer part of OneMarket Network LLC.

		Consolidated	
	Note	15 months ended 31 Mar 2019 US\$'000	12 months ended 31 Dec 2017 US\$'000
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		15,962	439,457
Platform contribution transaction receipts (inclusive of GST)		23,383	-
Payments to suppliers and employees (inclusive of GST)		(131,766)	(498,348)
		(92,421)	(58,891)
Interest received		1,603	-
Interest and other finance costs paid		-	(10,076)
Income taxes refunded/(paid)		(32)	2,526
Net cash used in operating activities	33	(90,850)	(66,441)
Cash flows from investing activities			
Net cash acquired on acquisition of OneMarket UK Holdings Limited	29	6,952	-
Payment for purchase of subsidiary, net of cash acquired	30	-	(40,287)
Payment for purchase of businesses, net of cash acquired		-	(3,861)
Payment of contingent consideration		(1,210)	-
Payments for term deposits		(109,000)	-
Payments for convertible notes		(17,861)	-
Payments for property, plant and equipment		(1,100)	(3,304)
Proceeds from disposal of unlisted securities		6,012	-
Proceeds from disposal of property, plant and equipment		9	-
Net cash disposed of on disposal of subsidiary		-	(6,507)
Net cash used in investing activities		(116,198)	(53,959)
Cash flows from financing activities			
Proceeds from issue of shares, net of distributions		-	162,400
Proceeds of disposal of non-controlling interest		19,668	-
Proceeds from Group reorganisation		187,506	-
Proceeds from borrowings		-	15,000
Repayment of borrowings		-	(60,000)
Distribution of equity		(1,691)	-
Net cash from financing activities		205,483	117,400
Net decrease in cash and cash equivalents		(1,565)	(3,000)
Cash and cash equivalents at the beginning of the financial period		11,343	14,343
Cash and cash equivalents at the end of the financial period	10	9,778	11,343

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

Note 1. General information

The financial statements cover OneMarket Limited as a Group consisting of OneMarket Limited ('Company' or 'parent entity') and the entities it controlled at the end of, or during, the period (collectively referred to in these financial statements as the 'Group' or 'OneMarket').

On 5 December 2017, OneMarket Limited was incorporated in Australia.

OneMarket Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business are:

Registered office

Level 12, 225 George Street
Sydney
NSW 2000
Australia

Principal place of business

835 Market Street
Suite 517
San Francisco CA 94103
USA

A description of the nature of OneMarket's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 31 May 2019. The directors have the power to amend and reissue the financial statements.

Note 2. Significant accounting policies

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

Historical cost convention

The financial statements have been prepared under the historical cost convention, except as specifically disclosed.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying OneMarket's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

On 28 September 2018, the Australian Securities and Investments Commission ('ASIC') made an order pursuant to subsection 340(1) of the Corporations Act 2001. The effect of the ASIC order is that for financial reporting purposes, the first financial year OneMarket will be treated as having commenced on 1 January 2018 rather than the date of incorporation of OneMarket Limited, being 5 December 2017 and concluded on 31 March 2019.

As a result of OneMarket's reorganisation which occurred on 1 January 2018, the financial statements are a continuation of the existing US businesses. Comparatives, representing the existing US businesses, are presented in the financial statements. The comparative statement of profit or loss and other comprehensive income covers the period from 1 January 2017 to 31 December 2017 and the comparative statement of financial position is at 31 December 2017. For further details refer to the 'De-Merger and Group Reorganisation' section of this note.

New or amended Accounting Standards and Interpretations adopted

OneMarket has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of OneMarket.

Note 2. Significant accounting policies (continued)

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The following new Accounting Standards and Interpretations are most relevant to OneMarket:

AASB 9 Financial Instruments

OneMarket has adopted AASB 9 from 1 January 2018 prospectively, and has not restated comparative information. The standard introduced new classification and measurement models for financial assets. A financial asset shall be measured at amortised cost if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows which arise on specified dates and that are solely principal and interest. A debt investment shall be measured at fair value through other comprehensive income if it is held within a business model whose objective is to both hold assets in order to collect contractual cash flows which arise on specified dates that are solely principal and interest as well as selling the asset on the basis of its fair value. All other financial assets are classified and measured at fair value through profit or loss unless the entity makes an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading or contingent consideration recognised in a business combination) in other comprehensive income ('OCI'). Despite these requirements, a financial asset may be irrevocably designated as measured at fair value through profit or loss to reduce the effect of, or eliminate, an accounting mismatch. For financial liabilities designated at fair value through profit or loss, the standard requires the portion of the change in fair value that relates to the entity's own credit risk to be presented in OCI (unless it would create an accounting mismatch). New simpler hedge accounting requirements are intended to more closely align the accounting treatment with the risk management activities of the entity. New impairment requirements use an 'expected credit loss' ('ECL') model to recognise an allowance. Impairment is measured using a 12-month ECL method unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime ECL method is adopted. For receivables, a simplified approach to measuring ECL using a lifetime expected loss allowance is available. The adoption of AASB 9 did not have any significant impact on the financial performance or position of OneMarket.

AASB 15 Revenue from Contracts with Customers

OneMarket has adopted AASB 15 from 1 January 2018. The standard provides a single comprehensive model for revenue recognition. The core principle of the standard is that an entity shall recognise revenue to depict the transfer of promised goods or services to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard introduced a new contract-based revenue recognition model with a measurement approach that is based on an allocation of the transaction price. This is described further in the accounting policies below. Credit risk is presented separately as an expense rather than adjusted against revenue. Contracts with customers are presented in an entity's statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the entity's performance and the customer's payment. Customer acquisition costs and costs to fulfil a contract can, subject to certain criteria, be capitalised as an asset and amortised over the contract period. The adoption of AASB 15 did not have any significant impact on the financial performance or position of OneMarket.

De-merger and Group reorganisation

On 5 December 2017 OneMarket Limited was incorporated in Australia.

Acquisition of US OneMarket business

On 1 January 2018, OneMarket Network LLC and its controlled entities ('US OneMarket business') was acquired by OneMarket Holdings, Inc (a subsidiary of OneMarket Limited) from Westfield Corporation. The acquisition of OneMarket Network LLC did not represent a business combination in accordance with AASB 3 'Business Combinations'. On the basis that the transaction is a form of group reorganisation it was considered that OneMarket was a continuation of the US OneMarket business. Accordingly the financial statements are a continuation of the US OneMarket business and as such:

- the assets and liabilities recognised and measured are at carrying amounts of the existing US OneMarket business rather than at fair value;
- the accumulated losses and other equity balances recognised are the existing accumulated losses and other equity balances of the existing US OneMarket business;
- no 'new' goodwill has been recognised as a result of the combination; and
- the comparatives presented are those of the existing US OneMarket business.

Note 2. Significant accounting policies (continued)

Acquisition of UK OneMarket business

On 31 May 2018, One Market Holdings, Inc acquired OneMarket UK Holdings Limited and its controlled entities ('UK OneMarket business'). This acquisition has been identified as a common control transaction as Westfield Corporation controlled both businesses at the time of this acquisition. Management has elected to apply the pooling of interest method and as such:

- the assets and liabilities acquired are measured at the carrying amounts of the existing UK OneMarket business rather than at fair value;
- no 'new' goodwill has been recognised as a result of the combination; and
- the difference between the carrying value of the acquired assets and liabilities and the consideration paid is recorded in equity as a common control reserve.

On 7 June 2018, Westfield Corporation distributed OneMarket Limited to its shareholders, with Westfield Corporation shareholders receiving one share of OneMarket Limited for every 20 shares of Westfield Corporation they held. Westfield Corporation retained a 10% equity interest in OneMarket Holdings, Inc. in exchange for a contribution of \$26,370,000 in cash and unlisted securities.

These financial statements therefore represent the results and position as follows:

- the financial results for OneMarket Limited, OneMarket Holdings, Inc, and OneMarket Network LLC and their controlled entities for the period from 1 January 2018 to 31 March 2019 and the financial results of OneMarket UK Holdings Limited and its controlled entities for the period from 1 June 2018 to 31 March 2019;
- the comparative results represent the results of OneMarket Network LLC and its controlled entities for the period from 1 January 2017 to 31 December 2017; and
- the comparatives presented in the statement of financial position represent the financial position of OneMarket Network LLC and its controlled entities as at 31 December 2017. The comparative statement of financial position represents the opening statement of financial position for the current financial period.

Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of OneMarket only. Supplementary information about the parent entity is disclosed in note 31.

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of OneMarket Limited as at 31 March 2019 and the results of all subsidiaries for the period then ended.

Subsidiaries are all those entities over which OneMarket has control. OneMarket controls an entity when OneMarket is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to OneMarket. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in OneMarket are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by OneMarket.

Other than the acquisitions of OneMarket Network LLC and OneMarket UK Holdings Limited as described above, the acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in equity of OneMarket. Losses incurred by OneMarket are attributed to the non-controlling interest in full, even if that results in a deficit balance.

Note 2. Significant accounting policies (continued)

Where OneMarket loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. OneMarket recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Foreign currency translation

The financial statements are presented in US dollars, which is OneMarket's presentation currency. The US subsidiaries' functional currency is US dollars and the UK subsidiaries' functional currency is the Great British pound ('GBP').

Foreign currency transactions

Foreign currency transactions are translated into US dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign operations

The assets and liabilities of foreign operations are translated into US dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into US dollars using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

The foreign currency reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

Operating segments

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

Identification of reportable operating segments

OneMarket is organised into one operating segment. This is based on the internal reports that are reviewed and used by the Board of Directors and the Chief Executive Officer (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources. There is no aggregation of operating segments.

Revenue recognition

OneMarket recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which OneMarket is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, OneMarket: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are initially recognised as deferred revenue in the form of a separate refund liability.

Rendering of services

Revenue from a contract to provide services is recognised over time as the services are rendered and the performance obligations have been satisfied based on either a fixed price or an hourly rate.

Note 2. Significant accounting policies (continued)

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Discontinued operations

A discontinued operation is a component of OneMarket that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately on the face of the statement of profit or loss and other comprehensive income.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in OneMarket's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in OneMarket's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Note 2. Significant accounting policies (continued)

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

OneMarket has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Investments and other financial assets

Investments

Investments includes non-derivative financial assets with fixed or determinable payments and fixed maturities where OneMarket has the positive intention and ability to hold the financial asset to maturity. This category excludes financial assets that are held for an undefined period. Investments are carried at amortised cost using the effective interest rate method adjusted for any principal repayments. Gains and losses are recognised in profit or loss when the asset is derecognised or impaired.

Impairment of financial assets

OneMarket recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon OneMarket's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets measured at fair value through other comprehensive income, the loss allowance is recognised within other comprehensive income. In all other cases, the loss allowance is recognised in profit or loss.

Plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of plant and equipment (excluding land) over their expected useful lives as follows:

Leasehold improvements	1-7 years
Furniture, fixtures and equipment	3-5 years
Computer equipment	3 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Leasehold improvements and plant and equipment under lease are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

Note 2. Significant accounting policies (continued)

An item of plant and equipment is derecognised upon disposal or when there is no future economic benefit to OneMarket. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Operating leases

Operating lease payments, net of any incentives received from the lessor, are charged to profit or loss on a straight-line basis over the term of the lease.

Intangible assets

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Goodwill

Goodwill arises on the acquisition of a business. Goodwill is not amortised. Instead, goodwill is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Impairment losses on goodwill are taken to profit or loss and are not subsequently reversed.

Impairment of non-financial assets

Goodwill and other intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Trade and other payables

These amounts represent liabilities for goods and services provided to OneMarket prior to the end of the financial period and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Contract liabilities

Contract liabilities represent OneMarket's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when OneMarket recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before OneMarket has transferred the goods or services to the customer.

Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Note 2. Significant accounting policies (continued)

Defined contribution superannuation expense

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Share-based payments

Equity-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or RSUs over shares, that are provided to employees in exchange for the rendering of services.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using the Black-Scholes option pricing model that takes into account the exercise price, the term of the RSU, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the RSU, together with vesting conditions related to the occurrence of a liquidity event such as a change in the control of OneMarket Holding Inc.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of OneMarket or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of OneMarket or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

Convertible notes

Convertible notes are separated into liability and equity components based on the terms of the contract.

On issuance of the convertible note, the fair value of the liability component is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption.

The remainder of the proceeds is allocated to the conversion option that is recognised and included in equity. Transaction costs are deducted from equity, net of associated income tax. The carrying amount of the conversion option is not remeasured in subsequent years.

Transaction costs are apportioned between the liability and equity components of the convertible notes, based on the allocation of proceeds to the liability and equity components when the instruments are initially recognised.

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Note 2. Significant accounting policies (continued)

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

Issued capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or RSUs are shown in equity as a deduction, net of tax, from the proceeds.

Dividends

Dividends are recognised when declared during the financial period and no longer at the discretion of the Company.

Business combinations

Except for those acquisitions that are common control transactions, the acquisition method of accounting is used to account for business combinations regardless of whether equity instruments or other assets are acquired.

The consideration transferred is the sum of the acquisition-date fair values of the assets transferred, equity instruments issued or liabilities incurred by the acquirer to former owners of the acquiree and the amount of any non-controlling interest in the acquiree. For each business combination, the non-controlling interest in the acquiree is measured at either fair value or at the proportionate share of the acquiree's identifiable net assets. All acquisition costs are expensed as incurred to profit or loss.

On the acquisition of a business, OneMarket assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, OneMarket's operating or accounting policies and other pertinent conditions in existence at the acquisition-date.

Where the business combination is achieved in stages, OneMarket remeasures its previously held equity interest in the acquiree at the acquisition-date fair value and the difference between the fair value and the previous carrying amount is recognised in profit or loss.

Contingent consideration to be transferred by the acquirer is recognised at the acquisition-date fair value. Subsequent changes in the fair value of the contingent consideration classified as an asset or liability is recognised in profit or loss. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity.

The difference between the acquisition-date fair value of assets acquired, liabilities assumed and any non-controlling interest in the acquiree and the fair value of the consideration transferred and the fair value of any pre-existing investment in the acquiree is recognised as goodwill. If the consideration transferred and the pre-existing fair value is less than the fair value of the identifiable net assets acquired, being a bargain purchase to the acquirer, the difference is recognised as a gain directly in profit or loss by the acquirer on the acquisition-date, but only after a reassessment of the identification and measurement of the net assets acquired, the non-controlling interest in the acquiree, if any, the consideration transferred and the acquirer's previously held equity interest in the acquirer.

Business combinations are initially accounted for on a provisional basis. The acquirer retrospectively adjusts the provisional amounts recognised and also recognises additional assets or liabilities during the measurement period, based on new information obtained about the facts and circumstances that existed at the acquisition-date. The measurement period ends on either the earlier of (i) 12 months from the date of the acquisition or (ii) when the acquirer receives all the information possible to determine fair value.

Note 2. Significant accounting policies (continued)

Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the owners of OneMarket Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial period, adjusted for bonus elements in ordinary shares issued during the financial period.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

Rounding of amounts

The Company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by OneMarket for the reporting period ended 31 March 2019. The Group's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to OneMarket are set out below.

AASB 16 Leases

This standard is applicable to annual reporting periods beginning on or after 1 January 2019, and is applicable to OneMarket from 1 April 2019. The standard replaces AASB 117 'Leases' and for lessees will eliminate the classifications of operating leases and finance leases. A 'right-of-use' asset will be recognised in the statement of financial position, measured at the present value of the unavoidable future lease payments to be made over the lease term. A liability corresponding to the right-of-use asset will also be recognised, adjusted for lease prepayments, lease incentives received, initial direct costs incurred and an estimate of any future restoration, removal or dismantling costs. Straight-line operating lease expense recognition will be replaced with a depreciation charge for the leased asset (included in operating costs) and an interest expense on the recognised lease liability (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. However EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) results will be improved as the operating expense is replaced by interest expense and depreciation in profit or loss under AASB 16.

Management are still currently assessing the impact of AASB 16 on the Group for the year ending 31 March 2020.

Note 2. Significant accounting policies (continued)

IASB revised Conceptual Framework for Financial Reporting

The revised Conceptual Framework has been issued by the International Accounting Standards Board ('IASB'), but the Australian equivalent has yet to be published. The revised framework is applicable for annual reporting periods beginning on or after 1 January 2020 and the application of the new definition and recognition criteria may result in future amendments to several accounting standards. Furthermore, entities who rely on the conceptual framework in determining their accounting policies for transactions, events or conditions that are not otherwise dealt with under Australian Accounting Standards may need to revisit such policies. OneMarket will apply the revised conceptual framework from 1 April 2020 and is yet to assess its impact.

Note 3. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year (see note 17 and note 18).

Share-based payment transactions

OneMarket measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

Goodwill

OneMarket tests annually, or more frequently if events or changes in circumstances indicate impairment, whether goodwill has suffered any impairment, in accordance with the accounting policy stated in note 2. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of assumptions, including estimated discount rates based on the current cost of capital and growth rates of the estimated future cash flows.

Contingent consideration

OneMarket has certain contingent purchase price obligations connected with its 2017 acquisitions of 12 Digital Marketing LLC and FluidM LLC (see below). The contingent consideration is measured at fair value at the date of acquisition and reassessed at the end of each reporting period in accordance with OneMarket's significant accounting policies summarised in note 2. The assessment of fair value requires a degree of judgement relating to the projection of future revenues, operating costs and the achievement of development milestones.

Note 4. Operating segments

Identification of reportable operating segments

OneMarket is organised into one operating segment. Refer to note 2 for details of identifying operating segments.

Major customers

For the period ended 31 March 2019 and the comparative period ended 31 December 2017, OneMarket recognised revenue from 3 major customers. OneMarket recognised revenue of \$2,000,000 from the first major customer (12 months ended 31 December 2017: US\$21,200,000), \$nil from the second major customer (12 months ended 31 December 2017: US\$7,900,000) and US\$3,200,000 from the third major customer (12 months ended 31 December 2017: US\$nil).

Note 5. Revenue from contracts with customers

	Consolidated	
	15 months ended 31 Mar 2019 US\$'000	12 months ended 31 Dec 2017 US\$'000
From continuing operations		
Sales from rendering of services	13,895	31,174

Disaggregation of revenue

The disaggregation of revenue from contracts with customers is as follows:

	Consolidated	
	15 months ended 31 Mar 2019 US\$'000	12 months ended 31 Dec 2017 US\$'000
Major product lines		
Current product revenue	8,699	1,994
Non-recurring revenue	5,196	29,180
	<u>13,895</u>	<u>31,174</u>

Non-recurring revenue includes:

- (a) Funding received from Westfield Corporation and Scentre Group for the development of technology products used specifically by these customers. OneMarket is no longer continuing to develop or support such products, and both customers have been granted a perpetual, royalty free license agreement to utilise the intellectual property associated with these products.
- (b) Amortisation of license fee revenue from OneMarket Network UK Limited for the period prior to the contribution of the UK OneMarket business to OneMarket Holdings, Inc.

Note 6. Other income

	Consolidated	
	15 months ended 31 Mar 2019 US\$'000	12 months ended 31 Dec 2017 US\$'000
Other income	3,248	-

Included in other income is US\$2,917,000 which represents the fair value movement of the contingent consideration liability which was recognised following the acquisition of 12 Digit Marketing, Inc. Refer to note 17 for further details.

Note 7. Expenses

	Consolidated	
	15 months ended 31 Mar 2019 US\$'000	12 months ended 31 Dec 2017 US\$'000
Loss before income tax from continuing operations includes the following specific expenses:		
<i>Depreciation</i>		
Leasehold improvements	1,032	117
Furniture, fixtures and equipment	52	63
Computer equipment	651	292
Total depreciation	<u>1,735</u>	<u>472</u>
<i>Impairment</i>		
Goodwill	-	46,518
<i>Finance costs</i>		
Interest and finance charges paid/payable	1	5,630
<i>Net foreign exchange loss</i>		
Net foreign exchange loss	274	-
<i>Net loss on disposal</i>		
Net loss on disposal of property, plant and equipment	984	-
<i>Rental expense relating to operating leases</i>		
Minimum lease payments	3,940	1,791
<i>Superannuation expense</i>		
Defined contribution superannuation expense	1,292	1,820
<i>Severance expenses</i>		
Severance expenses	7,475	-
<i>Share-based payments expense</i>		
Share-based payments expense - Westfield Stock Plan	14,965	5,982
Share-based payments expense - OneMarket Stock Plan	2,600	-
	<u>17,565</u>	<u>5,982</u>

Note 8. Income tax expense/(benefit)

	Consolidated	
	15 months ended 31 Mar 2019 US\$'000	12 months ended 31 Dec 2017 US\$'000
<i>Income tax expense/(benefit)</i>		
Current tax	2	(9,084)
Aggregate income tax expense/(benefit)	<u>2</u>	<u>(9,084)</u>
Income tax expense/(benefit) is attributable to:		
Loss from continuing operations*	2	(9,109)
Profit from discontinued operations	-	25
Aggregate income tax expense/(benefit)	<u>2</u>	<u>(9,084)</u>
<i>Numerical reconciliation of income tax expense/(benefit) and tax at the statutory rate</i>		
Loss before income tax (expense)/benefit from continuing operations	(97,157)	(141,515)
Profit before income tax expense from discontinued operations	-	54,811
	<u>(97,157)</u>	<u>(86,704)</u>
Tax at the statutory tax rate of 21% (2017: 35%)	(20,403)	(30,346)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Non-deductible expenses	2,626	2,047
State income taxes, net of federal benefit	1	2
Research and development credits	(664)	(984)
	<u>(18,440)</u>	<u>(29,281)</u>
Current period temporary differences not recognised	18,442	20,197
Income tax expense/(benefit)	<u>2</u>	<u>(9,084)</u>

* The 'Loss from continuing operations' comprises credits received for overpayment of taxes by OneMarket in 2017.

The Tax Reform Act of 2018 reduced the statutory tax rate for corporations engaged in business in the US to 21% from a prior rate of 35%.

	Consolidated	
	15 months ended 31 Mar 2019 US\$'000	12 months ended 31 Dec 2017 US\$'000
<i>Tax losses not recognised</i>		
Unused tax losses for which no deferred tax asset has been recognised	97,157	-
Potential tax benefit @ 21%	<u>20,403</u>	<u>-</u>

The above potential tax benefit for tax losses has not been recognised in the statement of financial position. These tax losses can only be utilised in the future if the continuity of ownership test is passed, or failing that, the same business test is passed.

Note 9. Discontinued operations

Description

As at 1 January 2017, Westfield DDC LLC, the Design, Development and Construction business of Westfield Corporation, was wholly-owned by OneMarket Network LLC. Westfield DDC LLC was responsible for all design, development and construction work performed at Westfield Corporation's centres. On 30 June 2017, OneMarket Network LLC distributed its investment in Westfield DDC LLC to WCL Holdings Inc., its parent entity for total consideration of US\$71,766,000 in the form of a deemed distribution.

The following is a summary of the results of operations and cash flows for Westfield DDC LLC:

Financial performance information

	Consolidated	
	15 months ended 31 Mar 2019 US\$'000	12 months ended 31 Dec 2017 US\$'000
Revenue	-	446,699
Professional and consultancy expenses	-	(16)
Direct costs and consumables used	-	(389,360)
Corporate overheads	-	(2,450)
Other expenses	-	(62)
Total expenses	-	<u>(391,888)</u>
Profit before income tax expense	-	54,811
Income tax expense	-	<u>(25)</u>
Profit after income tax expense from discontinued operations	-	<u><u>54,786</u></u>

Cash flow information

	Consolidated	
	15 months ended 31 Mar 2019 US\$'000	12 months ended 31 Dec 2017 US\$'000
Net cash from operating activities	-	16,977
Net cash used in investing activities	-	<u>(24,900)</u>
Net decrease in cash and cash equivalents from discontinued operations	-	<u><u>(7,923)</u></u>

Note 9. Discontinued operations (continued)

Carrying amounts of assets and liabilities disposed

	Consolidated	
	15 months ended 31 Mar 2019 US\$'000	12 months ended 31 Dec 2017 US\$'000
Cash and cash equivalents	-	6,507
Trade and other receivables	-	68,846
Total assets	<u>-</u>	<u>75,353</u>
Trade and other payables	-	3,587
Total liabilities	<u>-</u>	<u>3,587</u>
Net assets	<u>-</u>	<u>71,766</u>
	Consolidated	
	15 months ended 31 Mar 2019 US\$'000	12 months ended 31 Dec 2017 US\$'000
Total sale consideration (deemed distribution to Westfield Corporation)	-	71,766
Carrying amount of net assets disposed	<u>-</u>	<u>(71,766)</u>
Gain on disposal before income tax	<u>-</u>	<u>-</u>
Gain on disposal after income tax	<u>-</u>	<u>-</u>

Note 10. Current assets - cash and cash equivalents

	Consolidated	
	31 Mar 2019 US\$'000	31 Dec 2017 US\$'000
Cash at bank	<u>9,778</u>	<u>11,343</u>

Note 11. Current assets - trade and other receivables

	Consolidated	
	31 Mar 2019 US\$'000	31 Dec 2017 US\$'000
Trade receivables	2,574	4,916
Less: Allowance for expected credit losses	(112)	-
	<u>2,462</u>	<u>4,916</u>
Other receivables	506	-
Receivable from disposal of investment in unlisted security	690	-
	<u>3,658</u>	<u>4,916</u>

The receivable from disposal of investment in unlisted security represents amounts held in escrow following the disposal of OneMarket's investment in Curbside. This amount is expected to be received on 31 May 2019.

Note 11. Current assets - trade and other receivables (continued)

Allowance for expected credit losses

OneMarket has recognised a loss of US\$112,000 (period ended 31 December 2017: US\$nil) in profit or loss in respect of the expected credit losses for the period ended 31 March 2019.

The ageing of the receivables and allowance for expected credit losses provided for above are as follows:

Consolidated	Expected credit loss rate 31 Mar 2019 %	Carrying amount 31 Mar 2019 US\$'000	Allowance for expected credit losses 31 Mar 2019 US\$'000
Not overdue	1.00%	1,490	15
0 to 3 months overdue	2.00%	1,070	21
3 to 6 months overdue	6.00%	273	16
Over 6 months overdue	24.00%	247	60
		3,080	112
		3,080	112

Note 12. Current assets - term deposits

	Consolidated 31 Mar 2019 US\$'000	Consolidated 31 Dec 2017 US\$'000
Term deposits	110,690	-
	110,690	-

OneMarket has deposited funds into four money market term deposits with original principal amounts ranging from US\$24,000,000 to US\$30,000,000. The first term deposit matured on 2 April 2019 which carried an interest rate of 2.78%. The remaining deposits will mature on 12 July 2019, 15 October 2019, and 2 January 2020 and carry interest rates of 2.74%, 3.11% and 3.05% respectively.

Note 13. Non-current assets - Plant and equipment

	Consolidated 31 Mar 2019 US\$'000	Consolidated 31 Dec 2017 US\$'000
Leasehold improvements - at cost	1,013	3,269
Less: Accumulated depreciation	(15)	(764)
	998	2,505
Furniture, fixtures and equipment - at cost	335	314
Less: Accumulated depreciation	(305)	(241)
	30	73
Computer equipment - at cost	2,411	2,073
Less: Accumulated depreciation	(1,664)	(1,288)
	747	785
	1,775	3,363

Note 13. Non-current assets - Plant and equipment (continued)

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial period are set out below:

Consolidated	Leasehold improvements US\$'000	Furniture, fixtures and equipment US\$'000	Computer equipment* US\$'000	Total US\$'000
Balance at 1 January 2017	109	136	286	531
Additions	2,513	-	791	3,304
Depreciation expense	(117)	(63)	(292)	(472)
	<hr/>	<hr/>	<hr/>	<hr/>
Balance at 31 December 2017	2,505	73	785	3,363
Additions	508	6	587	1,101
Additions through business combinations (note 30)	-	5	33	38
Disposals	(983)	(2)	(7)	(992)
Depreciation expense	(1,032)	(52)	(651)	(1,735)
	<hr/>	<hr/>	<hr/>	<hr/>
Balance at 31 March 2019	<u>998</u>	<u>30</u>	<u>747</u>	<u>1,775</u>

* includes computer hardware and software

Note 14. Non-current assets - intangibles

	Consolidated 31 Mar 2019 US\$'000	31 Dec 2017 US\$'000
Goodwill - at cost	46,867	46,867
Less: Impairment	<u>(46,867)</u>	<u>(46,867)</u>
	<hr/>	<hr/>
	<u>-</u>	<u>-</u>

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial period are set out below:

Consolidated	Goodwill US\$'000
Balance at 1 January 2017	-
Additions through business combinations (note 30)	46,867
Impairment of assets	<u>(46,867)</u>
	<hr/>
Balance at 31 December 2017	-
	<hr/>
Balance at 31 March 2019	<u>-</u>

Impairment testing

Goodwill is tested annually for impairment. Goodwill (prior to impairment) was allocated to two cash generating units ('CGU') as follows:

Note 14. Non-current assets - intangibles (continued)

	Consolidated	
	31 Mar 2019	31 Dec 2017
	US\$'000	US\$'000
12 Digit	-	43,367
FluidM	-	3,500
	<u>-</u>	<u>46,867</u>

The recoverable amount of the CGU has been determined based on a value in use calculation.

At 31 December 2017, the 12 Digit CGU and FluidM CGU were in the early phases of their life cycle developing a comprehensive suite of products and services. At 31 December 2017, OneMarket was in discussions with brands, retailer and shopping venues to enter into contracts in relation to OneMarket's proposed product and service offerings. Management determined that as those discussions were at an early stage, they were unable to produce cash flow forecasts for OneMarket with sufficient reliability and as such, concluded that there were no cash flows to support the carrying value of each CGU.

Results:

Based on the testing performed, each respective CGU was deemed to be impaired and an impairment expense of US\$46,867,000, which represented the entire carrying value of goodwill was recognised against goodwill during the year ended 31 December 2017.

Note 15. Current liabilities - trade and other payables

	Consolidated	
	31 Mar 2019	31 Dec 2017
	US\$'000	US\$'000
Trade payables	1,577	337
Other payables and accruals	5,225	12,690
Deferred rent expense	57	-
GST payable	43	-
	<u>6,902</u>	<u>13,027</u>

Refer to note 22 for further information on financial instruments.

Note 16. Current liabilities - contract liabilities

	Consolidated	
	31 Mar 2019	31 Dec 2017
	US\$'000	US\$'000
Contract liabilities	<u>175</u>	<u>-</u>

Reconciliation

Reconciliation of the written down values at the beginning and end of the current and previous financial period are set out below:

Opening balance	-	-
Payments received in advance	175	-
Closing balance	<u>175</u>	<u>-</u>

Note 16. Current liabilities - contract liabilities (continued)

Unsatisfied performance obligations

The aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied at the end of the reporting period was US\$175,000 as at 31 March 2019 (US\$nil as at 31 December 2017) and is expected to be recognised as revenue in future periods as follows:

	Consolidated	
	31 Mar 2019	31 Dec 2017
	US\$'000	US\$'000
Within 6 months	174	-
6 to 12 months	1	-
	175	-
	175	-

Revenue will be recognised at the time that the contract services promised by OneMarket are delivered to the client(s).

Note 17. Current liabilities - contingent and deferred consideration

	Consolidated	
	31 Mar 2019	31 Dec 2017
	US\$'000	US\$'000
Contingent and deferred consideration	-	1,315
	-	1,315

OneMarket has certain contingent and deferred purchase price obligations connected with its acquisitions of 12 Digital Marketing LLC ('12 Digit') and FluidM LLC ('FluidM'). This contingent consideration is measured at fair value as detailed in notes 2 and 3.

A summary of the terms of the contingent consideration is as follows:

12 Digital Marketing LLC contingent consideration

Under the terms of the 12 Digit Acquisition Agreement, the former stockholders of 12 Digit and certain former employees of 12 Digit have the right to receive contingent consideration from OneMarket of up to US\$85,000,000 if certain financial targets are achieved. The amount of contingent consideration payable, if any, is to be calculated annually at the end of each of the calendar years 2017 to 2020 based on gross revenue (for 2017) and after tax profit (for 2018, 2019 and 2020) of the 12 Digit business, as defined and calculated for purposes of the 12 Digit Acquisition Agreement. Under no circumstances can the aggregate additional contingent consideration payable pursuant to the 12 Digit Acquisition Agreement exceed US\$85,000,000. OneMarket paid US\$455,000 of contingent consideration in March 2018 and an additional US\$4,500 in March 2019 related to the 2017 calendar year. No amounts are expected to be paid for contingent compensation for the period ended 31 March 2020.

At 31 March 2019, the fair value of the remaining contingent consideration in respect of the 12 Digital Marketing LLC ('12 Digit') acquisition was estimated to be US\$175,000 (US\$4,700,000 as at 31 December 2017).

FluidM LLC contingent consideration

At the date of acquisition of FluidM LLC US\$1,000,000 was provided for as the contingent consideration and \$250,000 was provided for as deferred consideration. Contingent consideration payments are made pending the successful completion of certain operational milestones. The first milestone payment of US\$500,000 was made in September 2017 and the second milestone payment of US\$500,000 was paid in January 2019. The deferred consideration of US\$250,000 was paid during the period ended 31 March 2019. No contingent or deferred consideration remains at 31 March 2019.

Note 18. Non-current liabilities - contingent and deferred consideration

	Consolidated	
	31 Mar 2019 US\$'000	31 Dec 2017 US\$'000
Contingent and deferred consideration	175	4,170

Refer to note 17 for further details.

Note 19. Equity - issued capital

	Consolidated			
	31 Mar 2019 Shares	31 Dec 2017 Shares	31 Mar 2019 US\$'000	31 Dec 2017 US\$'000
Ordinary shares - fully paid	103,929,134	2	187,166	186,541

Movements in ordinary share capital

Details	Date	Shares	US\$'000
Balance	1 January 2017	2	33,259
Contribution of capital from Westfield Corporation	15 February 2017	-	42,000
Contribution of capital from Westfield Corporation	5-31 July 2017	-	7,000
Contribution of capital from Westfield Corporation	2-30 August 2017	-	5,700
Contribution of capital from Westfield Corporation	1-26 September 2017	-	4,900
Contribution of capital from Westfield Corporation	2-27 October 2017	-	6,000
Contribution of capital from Westfield Corporation	1-29 November 2017	-	7,000
Contribution of capital from Westfield Corporation	5-29 December 2017	-	89,800
Distribution to Westfield Corporation	29 December 2017	-	(9,118)
Balance	31 December 2017	2	186,541
Capital adjustment on acquisition of OneMarket Network LLC	1 January 2018	-	(17,209)
Issue of shares to Westfield Corporation	2 January 2018	1	-
Subdivision adjusting share count to 10	6 April 2018	7	-
Distribution to Westfield Corporation	31 May 2018	-	(1,691)
Issue of share on acquisition of OneMarket UK Holdings Limited	1 June 2018	1	19,525
Subdivision of shares on a ratio of 11 to 103,929,134	1 June 2018	103,929,123	-
Balance	31 March 2019	103,929,134	187,166

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Share buy-back

There is no current on-market share buy-back.

Capital risk management

OneMarket's objectives when managing capital is to maintain strong working capital to deliver OneMarket's goals of providing retailers and brands solutions to acquire new customers and strengthen relationships with existing customers.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents and term deposits.

Note 19. Equity - issued capital (continued)

	Consolidated	
	31 Mar 2019	31 Dec 2017
	US\$'000	US\$'000
Trade and other payables	6,902	13,027
less: cash and cash equivalents	(9,778)	(11,343)
less: term deposits	(110,690)	-
	<u>(113,566)</u>	<u>1,684</u>
Net debt		
	<u>(113,566)</u>	<u>1,684</u>
Total equity	<u>118,992</u>	<u>(4,624)</u>
Capital (total equity plus net debt)	<u>5,426</u>	<u>(2,940)</u>

In order to maintain or adjust the capital structure, OneMarket may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

Note 20. Equity - reserves

	Consolidated	
	31 Mar 2019	31 Dec 2017
	US\$'000	US\$'000
Foreign currency reserve	33	-
Share-based payments reserve	2,255	-
Group reorganisation reserve	204,718	-
Common control reserve	52,670	65,896
Acquisition reserve	41,476	-
	<u>301,152</u>	<u>65,896</u>

Foreign currency reserve

The reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to US dollars.

Share-based payments reserve

The reserve is used to recognise the value of equity benefits provided to employees and directors as part of their remuneration, and other parties as part of their compensation for services.

Group reorganisation reserve

The group reorganisation reserve is used to recognise the difference between the fair value of consideration transferred and carrying value of the net assets acquired. The group reorganisation reserve at 31 March 2019 related to OneMarket's acquisition of OneMarket Network LLC.

Common control reserve

The common control reserve is used to recognise the difference between the fair value of consideration transferred and carrying value of the net assets acquired and disposed. The common control reserve at 31 March 2019 related to OneMarket's acquisition of OneMarket Holdings UK Limited and OneMarket's disposal of Westfield DDC LLC.

Acquisition reserve

This reserve is used to recognise the difference between the fair value of consideration received and non-controlling interests recognised.

Note 20. Equity - reserves (continued)

Movements in reserves

Movements in each class of reserve during the current and previous financial period are set out below:

Consolidated	Foreign currency reserve US\$'000	Share-based payments reserve US\$'000	Group reorganisation reserve US\$'000	Common control reserve US\$'000	Acquisition reserve US\$'000	Total US\$'000
Balance at 1 January 2017	-	-	-	-	-	-
Common control reserve	-	-	-	65,896	-	65,896
Balance at 31 December 2017	-	-	-	65,896	-	65,896
Foreign currency translation	33	-	-	-	-	33
Share-based payments	-	2,255	-	-	-	2,255
Part disposal of subsidiary to non-controlling interest	-	-	-	-	41,476	41,476
Contribution from Westfield Corporation Limited	-	-	5,799	-	-	5,799
Group reorganisation - acquisition of OneMarket Network LLC	-	-	198,919	-	-	198,919
Acquisition of commonly controlled entity - OneMarket Holdings UK Limited	-	-	-	(13,226)	-	(13,226)
Balance at 31 March 2019	<u>33</u>	<u>2,255</u>	<u>204,718</u>	<u>52,670</u>	<u>41,476</u>	<u>301,152</u>

Note 21. Equity - dividends and distributions

During the financial period ended 31 March 2019, a distribution of US\$1,691,000 (2017: US\$9,118,000) was made by OneMarket Network LLC to Westfield Corporation.

Note 22. Financial instruments

Financial risk management objectives

OneMarket's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. OneMarket's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of OneMarket. OneMarket uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks, ageing analysis for credit risk and beta analysis in respect of investment portfolios to determine market risk.

Risk management is carried out by senior finance executives ('finance') under policies approved by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of OneMarket and appropriate procedures, controls and risk limits. Finance identifies and evaluates financial risks within OneMarket's operating units. Finance reports to the Board on a monthly basis.

Market risk

Foreign currency risk

OneMarket undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations.

Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting.

Note 22. Financial instruments (continued)

OneMarket's foreign exchange risk is managed to ensure sufficient funds are available to meet financial commitments in a timely and cost-effective manner. OneMarket will continually monitor this risk and consider entering into forward foreign exchange, foreign currency swap and foreign currency option contracts if appropriate.

Receivables and payables as at 31 March 2019 were reviewed to assess currency risk at the financial reporting date. The value of transactions denominated in a currency other than the functional currency of the respective subsidiary was insignificant and therefore the risk was determined as immaterial.

Price risk

OneMarket is not exposed to any significant price risk.

Interest rate risk

While OneMarket is not exposed to any significant interest rate risk, OneMarket earns interest income which would be reduced by lower interest rates.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to OneMarket. OneMarket has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits. OneMarket obtains guarantees where appropriate to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. OneMarket does not hold any collateral.

OneMarket has adopted a lifetime expected loss allowance in estimating expected credit losses to trade receivables through the use of a provisions matrix using fixed rates of credit loss provisioning. These provisions are considered representative across all customers of OneMarket based on recent sales experience, historical collection rates and forward-looking information that is available.

Generally, trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than 1 year.

OneMarket does not have any significant credit risk exposure to any single customer. The carrying amount of financial assets recorded in the statement of financial position, net of any allowances for credit losses, represents the OneMarket's maximum exposure to credit risk.

Liquidity risk

Vigilant liquidity risk management requires OneMarket to maintain sufficient liquid assets (mainly cash and cash equivalents) to be able to pay debts as and when they become due and payable.

OneMarket manages liquidity risk by maintaining adequate cash reserves by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Note 22. Financial instruments (continued)

Remaining contractual maturities

The following tables detail OneMarket's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

Consolidated - 31 Mar 2019	Weighted average interest rate %	1 year or less US\$'000	Between 1 and 2 years US\$'000	Between 2 and 5 years US\$'000	Over 5 years US\$'000	Remaining contractual maturities US\$'000
Non-derivatives						
<i>Non-interest bearing</i>						
Trade payables	-	1,577	-	-	-	1,577
Other payables	-	671	-	-	-	671
Contingent consideration	-	-	175	-	-	175
Total non-derivatives		2,248	175	-	-	2,423

Consolidated - 31 Dec 2017	Weighted average interest rate %	1 year or less US\$'000	Between 1 and 2 years US\$'000	Between 2 and 5 years US\$'000	Over 5 years US\$'000	Remaining contractual maturities US\$'000
Non-derivatives						
<i>Non-interest bearing</i>						
Trade payables	-	337	-	-	-	337
Other payables	-	2,677	-	-	-	2,677
Contingent consideration	-	1,315	4,170	-	-	5,485
Total non-derivatives		4,329	4,170	-	-	8,499

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Fair value of financial instruments

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

Note 23. Fair value measurement

Fair value hierarchy

The following tables detail OneMarket's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: Unobservable inputs for the asset or liability

Consolidated - 31 Mar 2019	Level 1 US\$'000	Level 2 US\$'000	Level 3 US\$'000
Liabilities			
Contingent consideration	-	-	175
Total liabilities	-	-	175

Note 23. Fair value measurement (continued)

Consolidated - 31 Dec 2017	Level 1 US\$'000	Level 2 US\$'000	Level 3 US\$'000
<i>Liabilities</i>			
Contingent consideration	-	-	5,485
Total liabilities	-	-	5,485

There were no transfers between levels during the financial period.

The carrying amounts of trade and other receivables, term deposits and trade and other payables are assumed to approximate their fair values due to their short-term nature.

The fair value of financial liabilities is estimated by discounting the remaining contractual maturities at the current market interest rate that is available for similar financial liabilities.

Valuation techniques for fair value measurements categorised within level 2 and level 3

Contingent consideration has been valued based on the discounted cash flow model. Refer to note 17 for further details.

Level 3 assets and liabilities

Movements in level 3 assets and liabilities during the current and previous financial period are set out below:

Consolidated	Contingent consideration US\$'000
Balance at 1 January 2017	-
Additions	5,485
Balance at 31 December 2017	5,485
Amounts paid	(1,210)
Gains recognised in profit or loss in other income	(2,917)
Amount recognised in profit or loss in employee benefits expenses	(1,183)
Balance at 31 March 2019	175

The contingent consideration was re-measured at 31 March 2019 resulting in a US\$2,917,000 gain recognised in other income and a \$1,183,000 gain recognised in employee benefits expense in the profit or loss to take into account revised expectations of the net income 12 Digit is expected to generate.

The level 3 contingent liabilities unobservable inputs and sensitivities are as follows:

Description	Unobservable inputs	Sensitivity
FluidM	Achievement of operational milestone	Non-achievement of milestones would decrease fair value to nil.
12 Digit	Annual net income after tax (2018-2020)	US\$1,000,000 change would increase/decrease fair value to nil.

Note 24. Key management personnel disclosures

Compensation

The aggregate compensation made to directors and other members of key management personnel of OneMarket is set out below:

	Consolidated	Consolidated
	15 months	12 months
	ended 31	ended 31
	Mar 2019	Dec 2017
	US\$	US\$
Short-term employee benefits	4,896,116	4,005,295
Post-employment benefits	2,150,558	-
Other long-term benefits	7,417,181	-
Share-based payments	1,414,509	2,771,449
	<u>15,878,364</u>	<u>6,776,744</u>

Note 25. Remuneration of auditors

During the financial period the following fees were paid or payable for services provided by Ernst & Young, the auditor of the Company:

	Consolidated	Consolidated
	15 months	12 months
	ended 31	ended 31
	Mar 2019	Dec 2017
	US\$	US\$
<i>Audit services - Ernst & Young</i>		
Audit or review of the financial statements	420,034	231,743
<i>Other services - Ernst & Young</i>		
System and organisational control review	60,000	-
	<u>480,034</u>	<u>231,743</u>

Note 26. Contingent liabilities

OneMarket has no contingent liabilities at 31 March 2019 and 31 December 2017.

Note 27. Commitments

	Consolidated	Consolidated
	31 Mar 2019	31 Dec 2017
	US\$'000	US\$'000
<i>Lease commitments - operating</i>		
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	848	2,941
One to five years	1,484	4,833
	<u>2,332</u>	<u>7,774</u>

Note 28. Related party transactions

Parent entity

OneMarket Limited is the parent entity.

Note 28. Related party transactions (continued)

Subsidiaries

Interests in subsidiaries are set out in note 32.

Key management personnel

Disclosures relating to key management personnel are set out in note 24 and the remuneration report included in the directors' report.

Transactions with related parties

The following transactions occurred with related parties:

	Consolidated	
	15 months	12 months
	ended 31	ended 31
	Mar 2019	Dec 2017
	US\$	US\$
Sale of goods and services:		
Sale of services to controlling entity*	1,061,589	21,216,831
Payment for goods and services:		
Payment for services from controlling entity*	-	19,153,975
Payment for other expenses:		
Interest paid to controlling entity*	-	5,630,237
Consulting fees paid to key management personnel	33,333	-

* Westfield Corporation was OneMarket's controlling entity until the date of the initial public offering when OneMarket de-merged from Westfield Corporation. The transactions for the period ended 31 March 2019 represent transactions up until Westfield Corporation ceased to be the controlling entity.

Receivable from and payable to related parties

The following balances are outstanding at the reporting date in relation to transactions with related parties:

	Consolidated	
	31 Mar 2019	31 Dec 2017
	US\$	US\$
Current receivables:		
Trade receivables from other related party*	-	2,691,610
Current payables:		
Trade payables to controlling entity	-	3,797,737
Trade payables to other related party*	578,584	-

* Other related party includes Westfield Corporation which is no longer a controlling entity at 31 March 2019.

Loans to/from related parties

There were no loans to or from related parties at the current and previous reporting date.

Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates.

Note 29. Common control transaction

On 31 May 2018 One Market Holdings, Inc acquired One Market UK Holdings Limited and its controlled entities ('UK OneMarket business') in exchange for one common share of OneMarket Holdings Inc. common stock. This acquisition has been identified as a common control transaction as Westfield Corporation controlled both businesses at the time of this acquisition. Management has elected to apply the pooling of interest method of accounting with no goodwill recognised on this transaction. Instead the UK OneMarket business was acquired at its carrying value and the difference between the carrying value and consideration paid was recorded in equity, in a common control reserve.

Details of the acquisition are as follows:

	Fair value US\$'000
Cash and cash equivalents	6,952
Trade receivables	258
Other receivables	745
Other assets	20,256
Property, plant and equipment	39
Trade payables	(118)
Other payables	(151)
Employee benefits	(621)
Other liabilities	<u>(21,061)</u>
Net assets acquired	<u><u>6,299</u></u>
Acquisition-date fair value of the total consideration transferred represented by:	
Share issued	19,525
Common control reserve	<u>(13,226)</u>
	<u><u>6,299</u></u>

Note 30. Business combinations

Acquisition of 12 Digit Marketing, Inc. (prior year)

On 13 February 2017, OneMarket acquired 100% of the ordinary share capital of 12 Digit Marketing, Inc. ('12 Digit'), an unlisted company based in Redwood City, California in the United States. Founded in 2015, 12 Digit provides a digital advertising marketplace with shopper purchase and product interest data from large, multi-brand retailers across the United States. Virtually the entirety of 12 Digit's business, including its relationships with brands that sell through multi-brand retailers, continues to operate as the OneMarket Shopper Exchange. The goodwill of US\$43,367,000 comprises the value of synergies and intellectual property associated with the workforce acquired with 12 Digit.

Details of the acquisition are as follows:

	Fair value US\$'000
Cash and cash equivalents	253
Trade receivables	209
Trade payables	(390)
Other payables	(522)
	<hr/>
Net liabilities acquired	(450)
Goodwill	43,367
	<hr/>
Acquisition-date fair value of the total consideration transferred	<u>42,917</u>
Representing:	
Cash paid or payable to vendor	40,000
Contingent consideration	2,917
	<hr/>
	<u>42,917</u>
	<hr/>
Acquisition costs expensed to profit or loss during the year ended 31 December 2017	<u>540</u>
	<hr/>
	Consolidated 12 months ended 31 Dec 2017 US\$'000
Cash used to acquire business, net of cash acquired:	
Acquisition-date fair value of the total consideration transferred	42,917
Add: acquisition costs	540
Less: cash and cash equivalents	(253)
Less: contingent consideration	(2,917)
	<hr/>
Net cash used	<u>40,287</u>

During the year ended 31 December 2017, the goodwill which arose on the acquisition was fully impaired, refer to note 14 for details.

Note 30. Business combinations (continued)

Acquisition of FluidM, Inc (prior year)

On 17 March 2017, OneMarket acquired 100% of the ordinary share capital of FluidM, Inc. ('FluidM'), an unlisted company based in Fremont, California in the United States. Founded in 2015, FluidM was an early-stage, pre-revenue start-up focused on intelligent, context-aware voice assistants available across different communication interfaces. The technical know-how of the FluidM team, including its research into voice recognition, natural language processing and chatbot technologies, continues to be used in the development of OneMarket's voice-enabled shopping assistant enabling technology, which is a component of the Live Receipts product vision. In addition, the three co-founders of FluidM have assumed senior leadership roles within OneMarket. The goodwill of US\$3,500,000 comprises the value of synergies and intellectual property associated with the workforce brought over with FluidM.

Details of the acquisition are as follows:

	Fair value US\$'000
Goodwill	3,500
Acquisition-date fair value of the total consideration transferred	<u>3,500</u>
Representing:	
Cash paid or payable to vendor	2,500
Contingent consideration	<u>1,000</u>
	<u>3,500</u>
Acquisition costs expensed to profit or loss during the year ended 31 December 2017	<u>101</u>
	Consolidated 12 months ended 31 Dec 2017 US\$'000
Cash used to acquire business, net of cash acquired:	
Acquisition-date fair value of the total consideration transferred	3,500
Add: acquisition costs	101
Less: contingent consideration payable at reporting date	<u>(750)</u>
Net cash used	<u>2,851</u>

During the year ended 31 December 2017, the goodwill which arose on the acquisition was fully impaired, refer to note 14 for details.

Note 31. Parent entity information

Set out below is the supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income

	Parent	
	15 months ended 31 Mar 2019 US\$'000	12 months ended 31 Dec 2017 US\$'000
Profit/(loss) after income tax	(94,986)	31
Total comprehensive income	(95,648)	-

Statement of financial position

	Parent	
	31 Mar 2019 US\$'000	31 Dec 2017 US\$'000
Total current assets	366	17,861
Total assets	119,636	169,331
Total current liabilities	644	-
Total liabilities	644	-
Equity		
Issued capital	214,640	169,331
Foreign currency reserve	(693)	(31)
Retained profits/(accumulated losses)	(94,955)	31
Total equity	118,992	169,331

Loss after income tax includes an impairment to investment in subsidiary of \$94,720,000.

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries

The parent entity had no guarantees in relation to the debts of its subsidiaries as at 31 March 2019 and 31 December 2017.

Contingent liabilities

The parent entity had no contingent liabilities as at 31 March 2019 and 31 December 2017.

Capital commitments - Property, plant and equipment

The parent entity had no capital commitments for property, plant and equipment as at 31 March 2019 and 31 December 2017.

Significant accounting policies

The accounting policies of the parent entity are consistent with those of the OneMarket, as disclosed in note 2, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.
- Dividends received from subsidiaries are recognised as other income by the parent entity and its receipt may be an indicator of an impairment of the investment.

Note 32. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 2:

Name	Principal place of business / Country of incorporation	Ownership interest	
		31 Mar 2019 %	31 Dec 2017 %
OneMarket Holdings, Inc.*	United States of America	90%	-
OneMarket Network LLC**	United States of America	90%	-
12 Digital Marketing LLC**	United States of America	90%	-
FluidM LLC**	United States of America	90%	-
OneMarket Network UK Holdings Limited **	United Kingdom	90%	-
OneMarket Network UK Limited **	United Kingdom	90%	-
OneMarket Network UK Services Limited **	United Kingdom	90%	-
OneMarket Network Europe Limited **	United Kingdom	90%	-
Yocuda Limited**	United Kingdom	90%	-
eReceipts Ltd**	United Kingdom	90%	-

* OneMarket Limited owns 90% of the equity in OneMarket Holdings, Inc.

** 100% owned by OneMarket Holdings, Inc., therefore OneMarket Limited indirectly has a 90% ownership interest.

Note 33. Reconciliation of loss after income tax to net cash used in operating activities

	Consolidated	
	15 months ended 31 Mar 2019 US\$'000	12 months ended 31 Dec 2017 US\$'000
Loss after income tax (expense)/benefit for the period	(97,159)	(77,620)
Adjustments for:		
Depreciation and amortisation	1,735	472
Impairment of non-current assets	984	46,867
Share-based payments	2,600	-
Foreign exchange differences	33	-
Acquisition costs	-	2,358
Contingent consideration	(4,560)	-
Net Platform Contribution Transaction Receipt	17,861	-
Change in operating assets and liabilities:		
Increase in trade and other receivables	(330)	(38,416)
Decrease/(increase) in prepayments	418	(2,274)
Decrease in other operating assets	1,635	11
Increase/(decrease) in trade and other payables	(7,006)	11,593
Decrease in provision for income tax	-	(6,559)
Increase/(decrease) in employee benefits	(7,118)	1,573
Increase/(decrease) in other operating liabilities	57	(4,446)
Net cash used in operating activities	<u>(90,850)</u>	<u>(66,441)</u>

Note 34. Changes in liabilities arising from financing activities

Consolidated	Notes payable US\$'000	Total US\$'000
Balance at 1 January 2017	45,000,000	45,000,000
Net cash used in financing activities	(60,000,000)	(60,000,000)
Loans received	15,000,000	15,000,000
Balance at 31 December 2017	-	-
Balance at 31 March 2019	-	-

Note 35. Earnings per share

	Consolidated 15 months ended 31 Mar 2019 US\$'000	12 months ended 31 Dec 2017 US\$'000
<i>Earnings per share for loss from continuing operations</i>		
Loss after income tax	(97,159)	(132,406)
Non-controlling interest	5,143	-
Loss after income tax attributable to the owners of OneMarket Limited	(92,016)	(132,406)

	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	101,061,188	20,710,341
Weighted average number of ordinary shares used in calculating diluted earnings per share	101,061,188	20,710,341
	Cents	Cents
Basic earnings per share	(91.05)	(639.32)
Diluted earnings per share	(91.05)	(639.32)

	Consolidated 15 months ended 31 Mar 2019 US\$'000	12 months ended 31 Dec 2017 US\$'000
<i>Earnings per share for profit from discontinued operations</i>		
Profit after income tax attributable to the owners of OneMarket Limited	-	54,786

	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	101,061,188	20,710,341
Weighted average number of ordinary shares used in calculating diluted earnings per share	101,061,188	20,710,341
	Cents	Cents
Basic earnings per share	-	264.53
Diluted earnings per share	-	264.53

Note 35. Earnings per share (continued)

	Consolidated	
	15 months ended 31 Mar 2019 US\$'000	12 months ended 31 Dec 2017 US\$'000
<i>Earnings per share for loss</i>		
Loss after income tax	(97,159)	(77,620)
Non-controlling interest	5,143	-
	<u>(92,016)</u>	<u>(77,620)</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>101,061,188</u>	<u>20,710,341</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>101,061,188</u>	<u>20,710,341</u>
	Cents	Cents
Basic earnings per share	(91.05)	(374.79)
Diluted earnings per share	(91.05)	(374.79)

The weighted average number of shares is calculated based on 101,061,188 ordinary shares on issue as at 31 March 2019 and 20,710,341 ordinary shares that would have been in existence had the corporate/group reorganisation occurred as at 31 December 2017.

2,706,414 restricted stock units granted under the Equity Incentive Plan (2017: nil) have been excluded from the weighted average number of ordinary shares used in calculating diluted earnings per share as they are considered anti-dilutive.

Note 36. Share-based payments

During the Financial Year, One Market employees and certain service providers received Restricted Stock Unit ('RSU') awards over ordinary shares in OneMarket, Inc. common stock pursuant to the 2018 Equity Incentive Plan. The RSUs awarded confer a right to an equivalent number of shares in OneMarket Holdings, Inc. upon vesting.

For RSU awards made to the majority of employees in the Financial Year, vesting occurs after both of a time vesting condition and a liquidity event condition has been satisfied ("Dual Vesting RSUs"). The time vesting condition will be satisfied over a 4-year term with the condition satisfied as to 25% of the award on the first anniversary of the date of grant and then monthly on a pro rata basis over the following three years. The liquidity event condition will be satisfied when OneMarket Holdings, Inc. undergoes a change in control or conducts an initial public offering of its common stock. Any plan participant who ceases to provide services to OneMarket prior to full vesting of the award will forfeit any RSUs as to which the time vesting condition has not been satisfied, and any RSUs as to which the time vesting condition has been satisfied as of the termination of the participant's service will remain eligible to vest if a liquidity event occurs before the deadline specified in the participant's RSU agreement. If a liquidity event does not occur by such deadline, the then-unvested portion of the participant's award will be forfeited.

The KMP and certain other members of OneMarket's senior executive team received RSUs that are subject to time-based vesting conditions only ('Time Vesting RSUs'). Time-based vesting takes place in equal quarterly instalments over a 4-year period.

As at 31 March 2019, a total of 361,786 RSUs vested. OneMarket withheld 155,707 of these shares in exchange for the payment of income taxes due on the vested shares. Withheld shares are returned to the 2018 Equity Incentive Plan pool and are eligible to be re-allocated to employees through future awards.

As at 31 March 2019, a total of 2,706,414 RSUs were outstanding.

Note 36. Share-based payments (continued)

As at 31 March 2019, OneMarket recognised as an expense US\$2,600,000 related to the awarded RSUs.

Set out below are summaries of RSUs granted under the plan:

31 Mar 2019

Grant date	Expiry date*	Balance at the start of the period	Granted	Vested	Expired/ forfeited/ other	Balance at the end of the period
12/07/2018	12/07/2022	-	3,447,600	(309,286)	(1,365,000)	1,773,314
13/12/2018	13/12/2022	-	232,600	(2,500)	(47,000)	183,100
25/01/2019	25/01/2023	-	800,000	(50,000)	-	750,000
		-	<u>4,480,200</u>	<u>(361,786)</u>	<u>(1,412,000)</u>	<u>2,706,414</u>

* Expiry dates only apply to Dual Vesting RSUs.

Breakdown of RSU balance at the end of the period:

	Number of RSUs
Dual Vesting RSUs	1,045,700
Time Vesting RSUs with no expiry date	<u>1,660,714</u>
Total RSU balance at the end of the period	<u><u>2,706,414</u></u>

Note 37. Events after the reporting period

No matter or circumstance has arisen since 31 March 2019 that has significantly affected, or may significantly affect OneMarket's operations, the results of those operations, or OneMarket's state of affairs in future financial years.

In accordance with a resolution of the directors of OneMarket Limited (the Company), I state that:

1. In the opinion of the directors:
 - (a) the financial statements and notes of the Company and its subsidiaries (collectively the Group) are in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the Group's financial position as at 31 March 2019 and of its performance for the period ended on that date; and
 - (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001;
 - (b) the financial statements and notes also comply with International Financial Reporting Standards as disclosed in note 2; and
 - (c) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
2. This declaration has been made after receiving the declarations required to be made to the directors from the chief executive officer and chief financial officer in accordance with section 295A of the Corporations Act 2001 for the financial period ended 31 March 2019.

On behalf of the directors



Steven Mark Lowy AM
Chairman

31 May 2019
Sydney



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Independent Auditor's Report to the Members of OneMarket Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of OneMarket Limited ("the Company") and its subsidiaries (collectively "the Group"), which comprises the consolidated statement of financial position as at 31 March 2019, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the period from 1 January 2018 to 31 March 2019, notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is 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 March 2019 and of its consolidated financial performance for the period ended on that date; and
- b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial report. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial report.



Group Reorganisation

Why significant	How our audit addressed the key audit matter
<p>As set out in Note 2 to the financial statements, on 1 January 2018 the Group acquired the US OneMarket business from Westfield Corporation. As this transaction was determined to be a form of group reorganisation, rather than a business combination, the accounting treatment applied presents the Group as a continuation of the US OneMarket business. As a result, comparative information has been presented for the US OneMarket business.</p> <p>Also set out in Note 2 to the financial statements is the Group's acquisition on 31 May 2018 of the UK OneMarket business. This acquisition has been treated as a business combination under common control as Westfield Corporation controlled both the Group and the UK OneMarket business at the time. The Group elected to apply the pooling of interest method to account for this transaction.</p> <p>Accounting for these transactions is complex, and the determination of whether the transactions are considered business combinations in accordance with Australian Accounting Standards is critical to understanding the financial statements as a whole.</p> <p>This was considered to be a key audit matter due to the implications of the transactions and the extent of audit effort involved in auditing the transactions.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> ▶ Assessed the Group's conclusion that the US acquisition does not represent a business combination in accordance with Australian Accounting Standards; ▶ Assessed the Group's conclusion that the UK acquisition represents a business combination under common control in accordance with Australian Accounting Standards; ▶ We reviewed the agreements relating to the transaction to determine whether the transactions were accounted for in accordance with the agreements; and ▶ Assessed the adequacy of the related disclosures within the financial report.

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the Company's 2019 Annual Report, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the 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 financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.



- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated to the directors, we determine those matters that were of most significance in the audit of the financial report of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Audit of the Remuneration Report

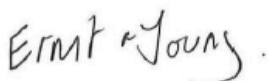
Opinion on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the period ended 31 March 2019.

In our opinion, the Remuneration Report of OneMarket Limited for the period ended 31 March 2019, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.



Ernst & Young



Douglas Bain
Partner
Sydney
31 May 2019

The shareholder information set out below was applicable as at 16 May 2019.

Distribution of equitable securities

Analysis of number of equitable security holders by size of holding:

	Number of holders of ordinary shares
1 to 1,000	47,188
1,001 to 5,000	989
5,001 to 10,000	223
10,001 to 100,000	276
100,001 and over	56
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	48,732
	<hr/> <hr/>
Holding less than a marketable parcel	46,556

Equity security holders

Twenty largest quoted equity security holders

The names of the twenty largest security holders of quoted equity securities are listed below:

	Number held	Ordinary shares % of total shares issued
J P Morgan Nominees Australia Pty Limited	21,957,711	21.13
Citicorp Nominees Pty Limited	10,829,166	10.42
HSBC Custody Nominees (Australia) Limited	10,700,942	10.30
Eroica B V	5,091,319	4.90
HSBC Custody Nominees (Australia) Limited-GSCO ECA	5,050,589	4.86
National Nominees Limited	3,740,804	3.60
One Managed Invst Funds Ltd (Sandon Capital Inv Ltd A/C)	2,892,674	2.78
CS Third Nominees Pty Limited (HSBC Cust Nom AU Ltd 13 A/C)	2,605,396	2.51
Cordera Holdings Pty Limited	2,430,587	2.34
Franley Holdings Pty Ltd	2,430,587	2.34
Franley Securities Pty Ltd	2,430,587	2.34
HSBC Custody Nominees (Australia) Limited - A/C 2	2,339,192	2.25
Morgan Stanley Australia Securities (Nominee) Pty Limited (No 1 Account)	1,621,995	1.56
CS Fourth Nominees Pty Limited (HSBC Cust Nom AU Ltd 11 A/C)	1,542,918	1.48
Hazel Equities Pty Ltd	1,188,552	1.14
National Nominees Limited (DB A/C)	948,272	0.91
BT Portfolio Services Limited (Warrell Holdings S/F A/C)	923,945	0.89
Mr Martin James Hickling and Mrs Jane Frances Hickling (M & J Hickling Super A/C)	915,500	0.88
BNP Paribas Nominees Pty Ltd (IB AU Noms Retailclient Drp)	723,182	0.70
FP Pty Limited (The Frank Lowy Living A/C)	705,370	0.68
	<hr/>	
	81,069,288	78.01
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Unquoted equity securities

There are no unquoted equity securities.

Substantial holders

Substantial holders in the Company are set out below:

	Ordinary shares	
	Number held	% of total shares issued
J P Morgan Nominees Australia Pty Limited	21,957,711	21.13
Citicorp Nominees Pty Limited	10,829,166	10.42
HSBC Custody Nominees (Australia) Limited	10,700,942	10.30

Voting rights

The voting rights attached to ordinary shares are set out below:

Ordinary shares

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

There are no other classes of equity securities.

Restricted securities

Class	Expiry date	Number of shares
Ordinary shares	31 May 2020	9,937,205