P2P | TRANSPORT

P2P TRANSPORT LTD
ANNUAL REPORT 2018

DRIVEN TO LEAD

P2P TRANSPORT is one of Australia's largest fleet management businesses focused on the point-to-point passenger transport industry, comprising a rapidly growing fleet of 1,134 passenger vehicles, offered to independent professional drivers.

OUR FLEET includes a range of taxis, corporate and ride-share vehicles servicing each segment of the point-to-point passenger transport industry. **(More on page 6)**

OUR BUSINESS MODEL is premised on the control of all key stages of the fleet management lifecycle, from vehicle acquisition, in-house customisation and vehicle servicing, panel repairs, driver support, and fleet management and administration. **(More on page 8)**

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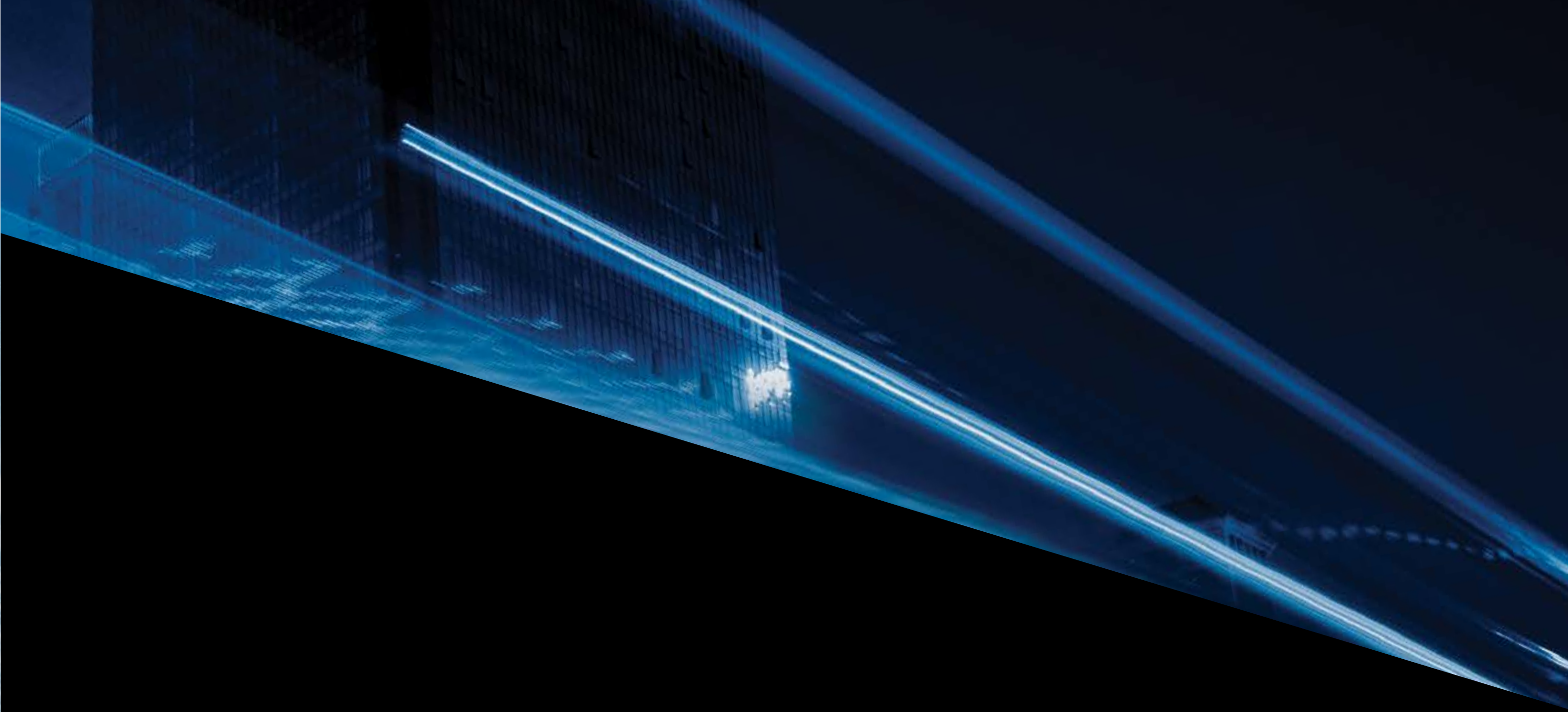
P2P IS DRIVEN TO LEAD. SINCE SUCCESSFULLY LISTING ON THE ASX IN DECEMBER 2017, P2P IS GENERATING SIGNIFICANT MOMENTUM – DIVERSIFYING THE OFFERINGS, INTEGRATING THE BUSINESS MODEL, BUILDING SCALE AND GROWING A PIPELINE OF OPPORTUNITIES.

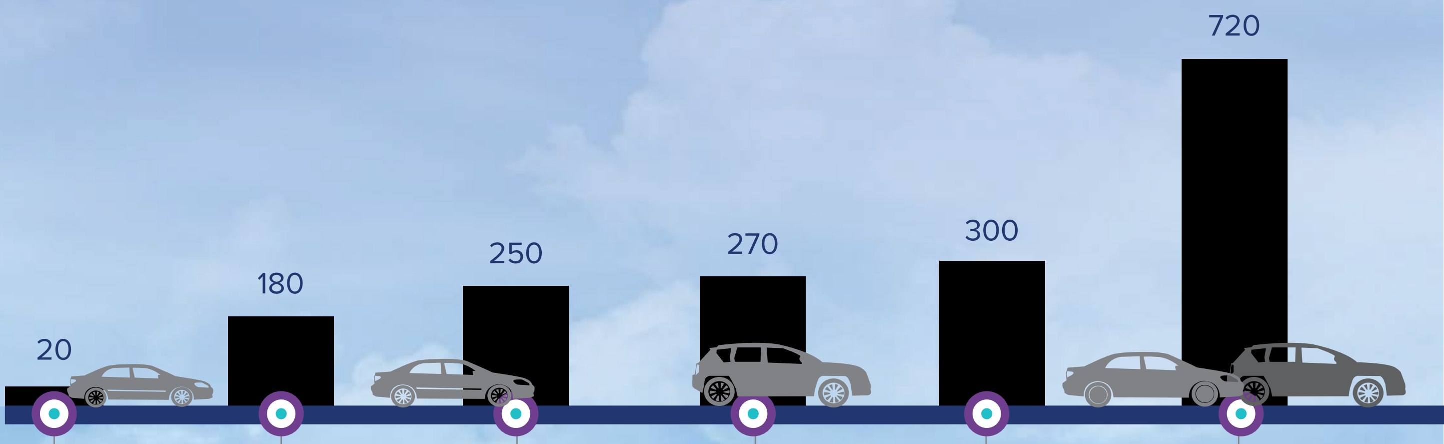
With our fleet of 1,134 vehicles in the taxi, corporate-hire, ride-share and digital advertising markets, we have completed a transformational year which has enabled us to establish a solid platform for the next phase of growth.



A JOURNEY WITH CLEAR DIRECTION

Since our first operations in Melbourne over 30 years ago, to becoming a nation-wide family in 2018 we have never stopped growing or learning. Now our first financial year as an ASX listed company has seen us surpassing the forecast fleet of 1,084 vehicles as per the prospectus through strategic acquisitions and organic growth.

Number of vehicles



1987
Melbourne operation established

Jan. 2013
Sydney operation established

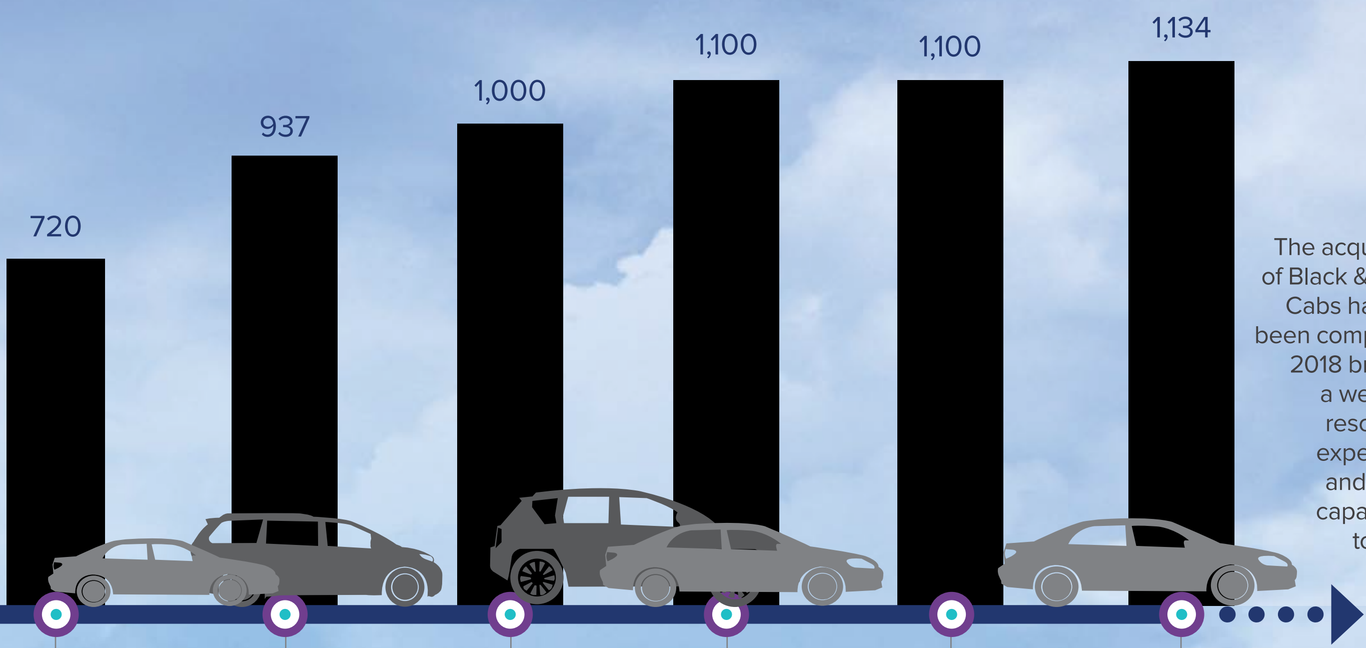
Jul. 2014
Sydney: first fleet acquisition and first in-house workshop opened

Aug. 2015
Acquisition of Cabcare Pty Ltd

Mar. 2017
P2P Transport formally incorporated

P2P | TRANSPORT

Oct. 2017
Acquisition of B&W Taxi Management, and a number of small vehicle fleet additions



The acquisition of Black & White Cabs has now been completed, 2018 bringing a wealth of resources, experience and digital capabilities to FY19.

13 Dec. 2017
P2P Prospectus and commencement of trading on ASX

Jan. 2018
Acquisition of Professional Taxis Gold Coast

Feb. 2018
Reached 1,000 vehicles

6 Apr. 2018
Launch of Adflow digital taxi-top advertising platforms to the Australian market significantly ahead of schedule

15 May 2018
Agreement to acquire Black & White Cabs

30 Jun. 2018
Total Fleet Number

DRIVING EXCELLENCE

Since listing in December, we have grown our fleet by over 400 vehicles placing us in a position to create an expansive operating footprint. Our vehicles have travelled further, in more locations, in the hands of our ever-growing pool of drivers than any other operator.

Operational Highlights – Indicators:

OPERATION SITES & FLEET

8

SITES

Melbourne, Sydney, Brisbane, Gold Coast & Toowoomba

1,134

VEHICLES

as at 30 June 2018 (average of 717 vehicle for FY18)

FARES CHARGED/ KMS DRIVEN[1]

$99.8M

FARES CHARGED IN FY18

90.72M

KILOMETRES DRIVEN IN FY18

MARKETSHARE

9.9%

SYDNEY

3.8%

MELBOURNE

29.8%

BRISBANE

22.2%

PERTH

UTILISATION[1]

74.07%

FLEET UPTIME

DRIVERS

APPROXIMATELY

3,170

Key Financial Highlights – Indicators: Statutory

GROSS PROFIT

$6.845M

FY2018

20.8%

GROSS PROFIT MARGIN

REVENUE GROWTH

>267%

FROM $8.9M IN FY17

$32.7M

IN FY2018

EBITDA

$(16.940M)

FY2018

(51.8%)

EBITDA MARGIN

REVENUE BY SOURCE IN FY18

$45,606

AVERAGE REVENUE PER VEHICLE [2]

($23,626)

AVERAGE EBITDA PER VEHICLE [2]

Key Financial Highlights – Indicators: Pro forma [3,6]

GROSS PROFIT

$18.074M

FY2018[5]

41.8%

GROSS PROFIT MARGIN[5]

REVENUE GROWTH

>40.6%

FROM $30.7M IN FY17[4]

$43.3M

IN FY2018[4]

EBITDA

$10.917M

FY2018[3]

25.2%

EBITDA MARGIN[3]

REVENUE BY SOURCE IN FY18

$60,340

AVERAGE REVENUE PER VEHICLE [2]

$15,225

AVERAGE EBITDA PER VEHICLE [2]

[1] Based on management estimate.

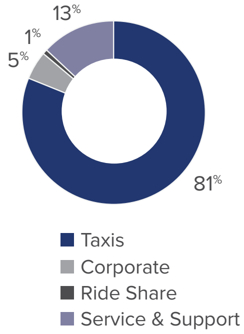
[2] Based on an average fleet number of 717 vehicles.

[3] Pro forma figures represent Non IFRS financial information that has not been subject to audit or review but has been determined using information presented in the Group's financial statements and the Prospectus dated 13th December 2017. Pro forma financial information illustrates the net results of the Group adjusted for the acquisition of several entities and large fleet, IPO costs and the costs of integrating the groups operations as explained in the CEO Report.

[4] Pro forma revenue represents statutory revenue of $32.7m and $10.6m revenue adjustment for acquired entities and fleet integration.

[5] Pro forma gross profit represents statutory gross profit of $6.8m and $11.3m net impact of revenue adjustment in point 4 above and associated cost of integration.

[6] The directors believe that the Pro forma reconciliation provides a useful measure for shareholders to understand the underlying financial performance of the Group as the statutory profit has been reconciled to exclude one off costs related to IPO and associated finance changes on convertible notes, and to normalise the Group's results for the acquired entities as if the acquisition of these entities was made at the start of the financial year and cost savings achieved from fleet integration.



DRIVEN TO PERFORM – OUR BRANDS

ZEVRA

National driver-facing brand providing a fully integrated fleet management business for the taxi and executive hire car market

- Provides drivers with a flexible framework for renting cars on an hourly, daily and weekly basis
- Operates across 8 sites in Melbourne, Sydney, Brisbane, Gold Coast and Toowoomba

Hub

Integrated fleet management and repair centres:

- Vehicle acquisition and customisation
- Servicing, maintenance & accident repair
- Driver support and administration – insurance, driver payments and facilities
- Rostering of cars

meego

Providing unmodified vehicles to drivers who wish to enter the rideshare industry

- Offering flexible rental terms and no lock-in contracts – daily, weekly, and monthly
- Fully integrated solution that includes service, insurance, repairs and replacement vehicles

adflow

Adflow is advertising on the move:

- Transforming taxi advertising with a range of products including digital taxi top signage, in-vehicle taxi TV and large-format wrap solutions
- Technology allows customised ads based on location, time, temperature and other parameters
- Rolling out over 900 vehicles in FY19
- Adflow is well-positioned to gain a strong foothold in the $1 billion per annum Out of Home advertising channel

AUSTRALIA WIDE CHAUFFEUR CARS

Chauffeur Company offering professional services across Australia

- Airport transfers
- Tours & Corporate Service
- Specialty services (weddings, corporate golf days etc.)
- Ensures that our clients' journeys are completed in style and comfort in one of our luxury vehicles from a Holden Caprice through to Mercedes Minivans

BLACK & WHITE CABS

A leader in the passenger transport and dispatch market having serviced the Queensland and Western Australian market for almost 100 years

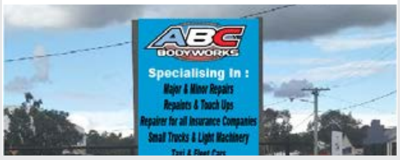
- Network of 1,400 vehicles from standard cabs, business class cabs, people movers and wheelchair accessible maxi cabs
- Tablet based dispatch technology for vehicles, a passenger booking app offering fixed-price fares and discounted bookings, vehicle fit out and insurance services

ABC BODYWORKS

ABC Bodyworks are leaders in the smash repair industry. Providing customers with a quality service for over 30 years.

Specialists in:

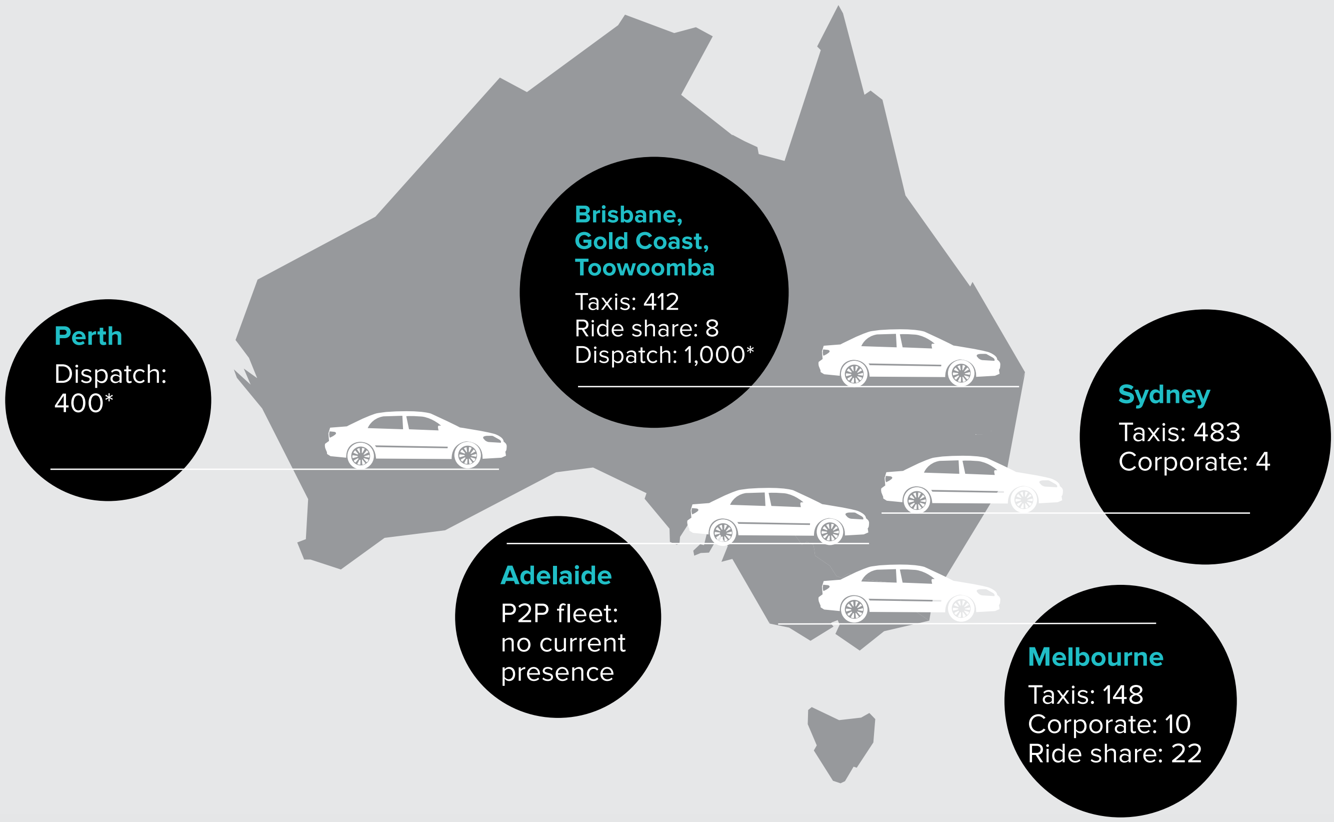
- smash repairs & panel beating
- total re-sprays, restoration, touch-up & car detailing



P2P Transport is one of Australia's largest fleet operators in the point-to-point passenger transport industry, with a rapidly growing fleet comprising 1,134 operating vehicles.

P2P transport's market share continues to grow having achieved:

- **9.9%** of the registered taxis in Sydney
- **3.8%** of the registered taxis in Melbourne
- **29.8%** of the registered taxis in Brisbane*/Gold Coast
- **22.2%** of the registered taxis in Perth*

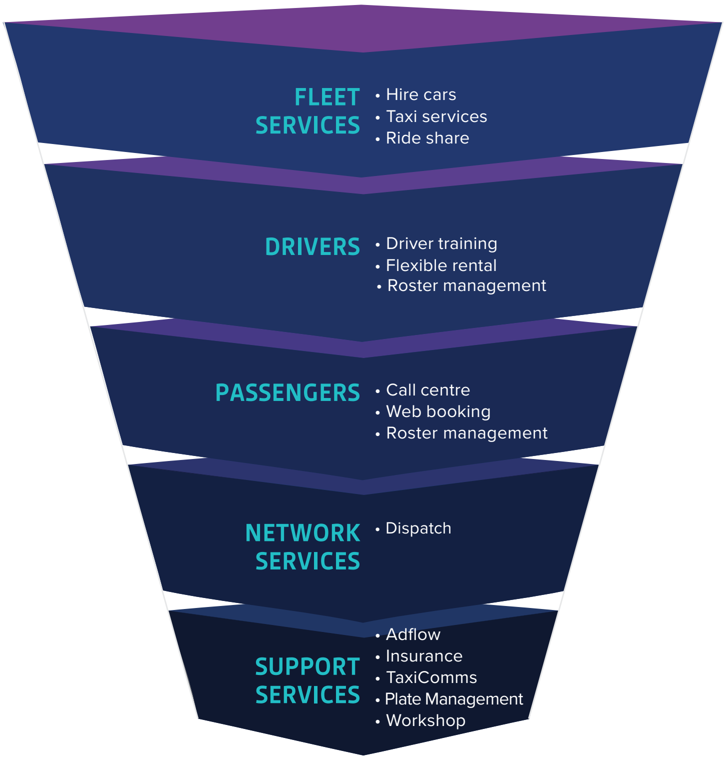


* Acquired upon completion of Black & White Cabs acquisition (3rd August 2018).

A MODEL BUILT FOR GROWTH…

Business Model – Vertical integration

P2P transport operates a vertically integrated model across all sites. This model involves a primary hub situated in central locations where the fleet's operational and administrative requirements are managed within each state or market. It delivers a range of cost and operational efficiencies, and ensures the Company is able to deliver a simple, effective and convenient service to its fleet customers.



The Company's core business of providing a fleet of vehicles to independent professional drivers is supported by an ecosystem of additional value-added services from the acquisition and customisation of new vehicles, onsite maintenance and repairs, and management and administration. This delivers a range of cost and operational efficiencies, and ensures the Company is able to deliver a simple, effective and convenient service to its drivers.

Company snapshot

P2P transport operates across all segments within the point-to-point transport industry, taking advantage of an innovative vertically integrated business model encompassing end-to-end fleet management and now venturing into the Out of Home advertising market:

- Rapidly growing fleet of 1,134 vehicles to independent professional drivers
- Soon to be increased by a further 1,400 across the Black & White Cabs network

Diversified vehicle offering:

- We offer vehicles in the taxi, corporate-hire, rideshare, hire car, and executive car markets, servicing each segment of the point-to-point passenger transport industry

Integrated business model:

- End-to-end fleet management – from vehicle acquisition and in-house customization, vehicle servicing and driver support, and fleet management and administration.
- Recent acquisition of Black & White Cabs completes full vertical integration

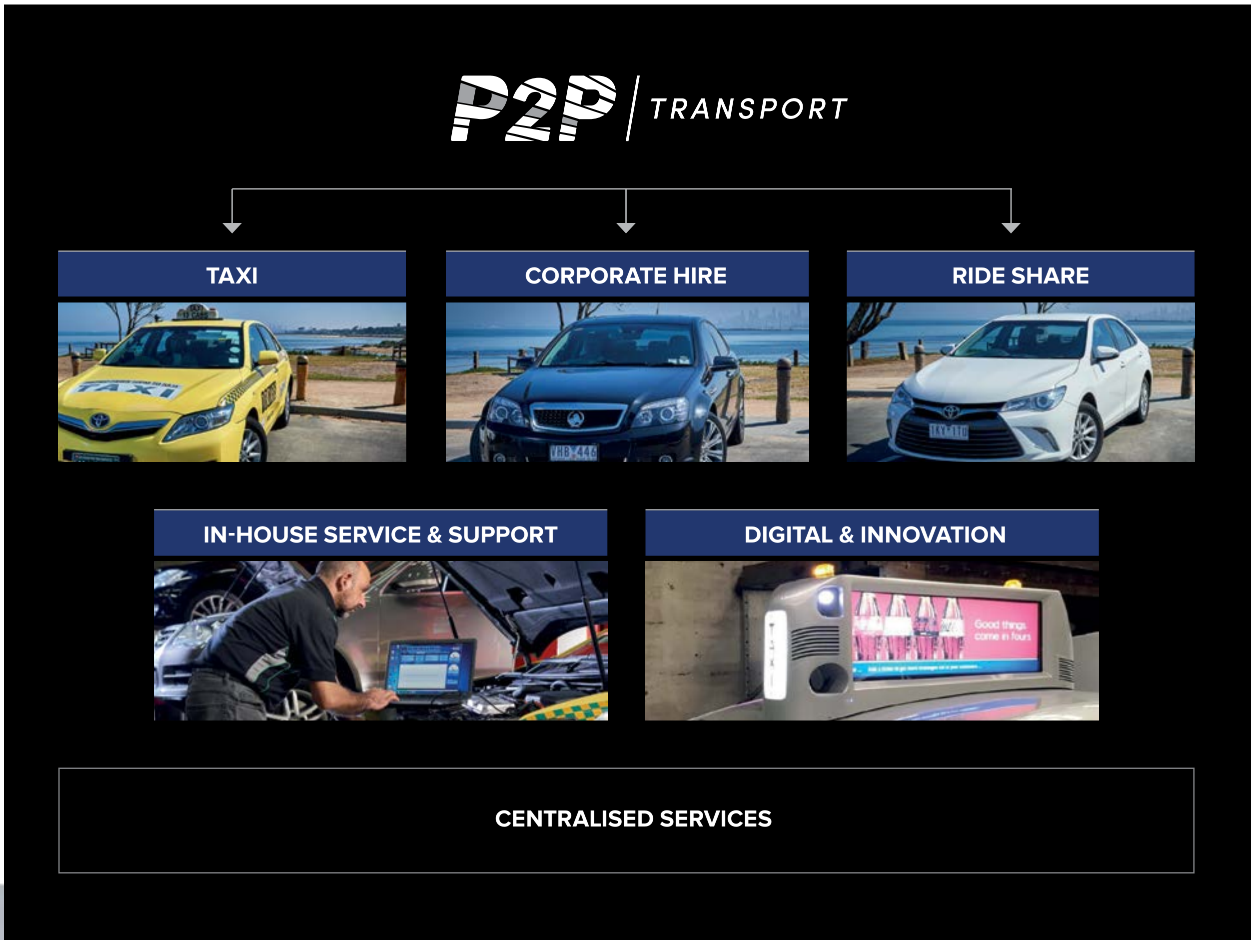
Expansive operating footprint:

- 8 sites situated in Victoria (Melbourne), NSW (Sydney) and Queensland (Brisbane, Gold Coast and Toowoomba).

Significant growth opportunities:

- Continued acquisitions of fleets in the pipeline
- Rollout of our digital taxi advertising to the fleet

P2P Transport – Group structure



...IN AN INDUSTRY FULL OF OPPORTUNITIES

Industry structure

The Australian point-to-point passenger transport industry is a large and fragmented industry, generating $6.6 billion in passenger expenditure. With growth of 12% over the past year, the market has continued the upward trends exhibited over the past few years, which are expected to continue going forward.

Point-to-point passenger transport industry – key stakeholders

FLEET OPERATORS (P2P Transport segment of operation)	• Provision of vehicles on a rental basis to independent drivers – taxi, corporate, ride-share • Engage with taxi network providers and taxi plate owners (if not owned) • Highly fragmented with a large number of small operators
TAXI NETWORKS	• Licensed taxi network providers • Cabcharge Australia, Gange Corporation, Black & White Cabs, Murrell Group, Swan Taxis
PLATE OWNERS	• Owners of licensed taxi plates • Private owners, plate management companies
RIDE SHARE SERVICES	• Platform providers • Uber Australia, GoCar, Shebah, Shofer, Hi Oscar, Hop, Hitch-A-Ride
HIRE CAR COMPANIES	• Specialised limousine providers • Hughes Limousines, Vehicle Hire Australia (VHA)

Passenger expenditure on point-to-point transport Australia

Growth opportunities

The rapid growth of P2P transport over the past year has put us in a position to accelerate our strategic roadmap. Following the acquisition of Black & White Cabs and the launch of Adflow, our 2019 outlook centres on execution, leverage and integration. Utilisation and efficiency in the core fleet business, and growth in the new and existing markets will expand organic revenue and will ensure the business delivers our forecasts.

INCREASE MARKET SHARE IN EXISTING GEOGRAPHIES

CORE FOCUS

- Grow fleet through acquisitions of fleets
- Enhance the offering to both drivers and passengers

EXPANSION TO NEW DOMESTIC GEOGRAPHIES

SELECTIVE GROWTH

- Assess new market opportunities for the business
- Expand the current offering to new segments and customers

EARNINGS GROWTH THROUGH ENHANCED ASSET UTILISATION

UTILISATION & LEVERAGING

- Deliver utilisation and revenue across the fleet
- Focus on cost reduction and centralisation of sourcing
- Enhancement of systems and support

NEW DIGITAL AND TECHNOLOGICAL INITIATIVES

ORGANIC DIGITAL GROWTH

- Launch of Adflow digital taxi advertising to the Eastern seaboard
- Expand offering to new markets
- Enhance the offering through target advertising innovation

ACQUISITION OF BLACK & WHITE CABS

ORGANIC SUPPLY CHAIN GROWTH

- Deployment of primary network to Sydney and Melbourne
- Deployment of secondary network to Sydney, Melbourne and Gold Coast
- Enhance the offering through new dispatch technology

CHAIRMAN'S LETTER

"PROGRESS ON THE P2P TRANSPORT STRATEGIC ROADMAP HAS PROGRESSED SIGNIFICANTLY WITH THE COMPANY NOW THE LARGEST VERTICALLY INTEGRATED TAXI AND PRIVATE HIRE TRANSPORT PROVIDER IN AUSTRALIA WHICH POSITIONS THE BUSINESS AS A LEADER IN THE AUSTRALIAN MARKET."

Dear Shareholders,

On behalf of the Board, I am pleased to present the P2P Transport Limited (P2P Transport) 2018 Annual Report following the listing of the company on the 13 of December 2017.

The business operates in a sector that has undergone significant transformation over the past few years.

The company established a strong foundation business in the period to listing on the Australian Securities Exchange (ASX) which it has continued to build through strategic acquisition. The combination of the foundation business and strategic acquisitions have uniquely positioned the company to take advantage of the opportunities in the passenger transport market arising for a vertically integrated business such as P2P Transport.

During 2018, in the inaugural year as a listed entity, the Company made significant progress in building solid foundations across drivers, passengers, sites and infrastructure to ensure sustained growth well into the future, while continuing to grow and capitalise on opportunities as they have arisen. We acquired over 400 vehicles since listing on the ASX and over 800 vehicles in the 12 months since the 1st of July 2017, making this a busy year of integration and growth across Melbourne, Sydney, Gold Coast and Brisbane.

Progress on the P2P Transport strategic roadmap has progressed significantly with the Company now the largest vertically integrated taxi and private hire transport provider in Australia which positions the business as a leader in the Australian market.

To deliver the businesses strategic objectives, the business needs to ensure that it has the right organisational structure, leaders, initiatives as well as organic revenue stream for future growth.

I am pleased to say that with the foundation built in 2018 as well as the acquisitions and initiatives that have been announced in the course of 2018 and for 2019, P2P Transport has accelerated its growth plans materially in some cases.

Adflow digital taxi top advertising and the acquisition of Black & White Cabs are two highlights of strategic business growth positioning P2P Transport to capitalise on revenue and cost efficiency opportunities in the passenger transport market.

The business delivered a 2018 result that was disappointing to the board and management as it was below our prospectus forecast. Nonetheless, in the context of the financial result the business experienced significant growth, acceleration of the strategic roadmap and some challenging issues both internally and in the market.

The transition from private to public company and securing opportunities presented to the business ahead of forecast impacted the overall financial performance of the business. That said, the company tackled its internal and external challenges robustly to reset elements of the business to create the very foundation necessary for implementing the medium term strategic roadmap ahead of schedule ensuring, as far as possible, that our competitive position in the passenger transport market has been protected from international competitors looking to enter or expand within the Australian market.

I would like to thank the members of the P2P Transport Board for all their support over the past few months as a newly listed business. The board comprises a mix of experience, skills and expertise in finance and accounting, industry expertise particularly in passenger and mass transport, technology comprising networks and payment systems, and legal and risk.

The board is fortunate to count among its member, co-founders Harry Katsiabanis and Managing Director Tom Varga who provide business and industry knowledge and have been instrumental in maintaining the focus on the medium to long term strategic initiatives of the business.

Following the acquisition of Black & White Cabs, Greg Webb joined the board and provided another perspective on the industry and business of passenger transport with particular expertise, skills and experience in network services.

It has been a pleasure to be the Chairman of P2P Transport since its listing on the ASX and as the business looks toward 2019 we are already seeing the business and industry landscape improving from the relatively challenging environment we experienced in 2018.

While organisational restructure post acquisitions and the launch of Adflow are showing promising results for the business, the continued positive transformation of the industry is delivering further reduction of costs and structural change benefiting the business.

The company has managed to be well placed to take advantage of the changes and improvements occurring around Australia in the passenger transport market. We recognise we must not become complacent, and we must focus on the core business and drivers of value within the business, it appears to the board that 2019 is shaping up to be a good year in which the business realises the benefits of the acceleration of its business strategy.

On behalf of the Board, I would like to take this opportunity to thank all of our shareholders, employees and customers for their ongoing support in 2019.

Yours Sincerely,

Matthew Reynolds
Chairman

CEO'S REPORT

"OUR STRATEGIC ROADMAP HAS BEEN SIGNIFICANTLY ACCELERATED AND WE BELIEVE THE CURRENT STRATEGIC PATHWAY COUPLED WITH OUR SCALE, TEAM CAPABILITIES AND THE FAVOURABLE MARKET CONDITIONS WILL DELIVER THE SUSTAINABLE VALUE AND RETURNS TO PASSENGERS, DRIVERS, TEAM MEMBERS AND OUR SHAREHOLDERS IN THE YEARS TO COME."

Dear shareholders,

On 13 December 2017, following a group restructure, P2P Transport Limited was formally listed on the ASX. At listing P2P owned 720 vehicles in Melbourne, Sydney, Brisbane, Gold Coast and Toowoomba. In the period up until 30 June 2018, P2P acquired over 400 additional vehicles in Brisbane, Sydney, Melbourne and a major operation on the Gold Coast. P2P maintained an aggressive schedule of acquisitions which enabled the business to grow to a larger size than forecast, but at a cost to the forecast financial performance. As at 30 June 2018 P2P had 1,134 vehicles. P2P delivered a pro forma EBITDA of $10.9 million for FY18 against a forecast of $12.7 million.

Acquisitions

During FY2018, P2P undertook several fleet acquisitions ranging from single vehicle owner/operators seeking an exit through to large fleets that included service and support facilities as well as the acquisition of new vehicles for plates the business has secured. Key acquisitions during the year include:

- Professional Taxis – Gold Coast, 89 vehicles – Having acquired a fleet of over 50 vehicles already on the Gold Coast the acquisition of Professional Taxis provided the scale and resources to optimise the fleets performance;
- Complete Taxi Management vehicles – Brisbane, 43 vehicles – Acquisition of new vehicles for plates that became available in May;
- Orbella – Sydney, 25 vehicles – Predominantly prestige vehicles that were consolidated into the existing Sydney sites;
- J&M Taxis – Sydney, 16 vehicles – Mix of vehicles that were consolidated into the Sydney sites;
- RoJo Taxis – Brisbane, 29 vehicles – Established fleet that operated at suboptimal levels due to lack of scale; post acquisition vehicles were consolidated onto the Albion site;
- New vehicles – Sydney, 208 vehicles – January and February saw an unprecedented number of plates enter the market which the company took advantage of to capture market share. This required over 200 new vehicles to be sourced, fitted and registered delivering the strong market position of the business.

Fleet Operations

P2P Transport has built one of the largest taxi fleet operators in the country with locations in Melbourne, Sydney, Brisbane, Gold Coast and Toowoomba and 1,134 vehicles in operation. In addition, our fleet of hire cars and ride share rental vehicles has continued to grow. While our focus remains on the taxi industry our diversified portfolio across all personal passenger transport segments positions the business to take advantage of the evolving and growing industry.
We believe P2P Transport has developed a significant competitive advantage in the passenger transport market with multiple locations that operate vertically integrated facilities providing panel repairs, mechanical servicing, insurance management, driver support, administration and rostering. With critical mass and economies of scale the business is uniquely positioned for the 2019 year and the outlook is consistent with guidance.

Our success could not have been possible without the great people within the business and support of advisors, board members and service providers. P2P Transport Leadership Team has seen the co-founders of the business successfully lead the organisation through the transition from fast growing private company to a listed entity and during this time built a culture and team focused on growth and profitability. The experience and industry knowledge extend to our sites where the business has some of the best functional practitioners with several second-generation industry experts. It is the combination of experience within the Leadership Team, the sites and a culture focused on communication, growth, learning and performance that has P2P uniquely positioned for the year ahead.

Financial Performance*

Our maiden financial report delivered a EBITDA of ($16.940 million) reconciling back to a pro forma EBITDA of $10.92 million against a prospectus forecast of $12.7 million. The significant acceleration of strategic growth coupled with a weaker than expected performance in May and June resulted in a lower than forecast result. While this was disappointing for everyone in the team we are confident the foundation has been created to better position the business for the years ahead.

The pro forma EBITDA for FY18 equates to $15,225 per vehicle and represents a credible result for the business given the transition from private to public and acceleration of a number of the strategic initiatives. Pro forma revenue for 2018 was $43.3 million which delivered a pro forma gross profit of $18.1 million or 41.8%. With growth of over 400 vehicles, the 2018 result reaffirms the business model and industry sustainability.

Pro forma – Statutory profit and loss reconciliation		FY18
	Note	$'000
Statutory NPAT– P2P Group – Loss		**(37,862)**
Initial public offer expenses*	5	11,801
Finance charge on settlement of convertible notes*	5	13,956
Costs associated with acquired businesses and fleet growth**		12,958
Cost savings achieved***		3,098
Pro forma NPAT – P2P Group – Profit*		**3,951**
Interest expense on finance lease arrangements	5	520
Depreciation & amortisation & impairment	5	6,378
Tax expense	6.1	68
Pro forma EBITDA – P2P Group – Profit**		**10,917**

Pro forma NPAT – P2P Group – profit the pro forma financial Information has been derived from the financial report to illustrate the net results of P2P Group adjusted for the following;

* IPO costs and finance charge on settlement of convertible notes.

** Cost associated with acquisition of new entities; including professional services and integration costs of large fleets, including improvements to lower grade vehicles and costs associated with outsourced panel work.

*** Major operational cost savings achieved during FY18 extrapolated for full year impact, i.e Insurance expenses, contractors and site rationalisation.

**** **Pro forma EBITDA – P2P Group – profit** represents pro forma NPAT adjusted for finance cost, depreciation, amortization, impairment loss and income tax.

* Pro forma financial information illustrates the net results of the group adjusted for the acquisition of several entities and large fleet, IPO costs and the costs of integrating the groups operations.

CEO'S REPORT

Industry Trends

Whilst there have been a number of new entrants offering high incentives to drivers and subsidised fares to passengers, the unsustainable nature of a price/incentive led strategy has started to take its toll on new entrants. This has seen the overall point to point passenger transport market continue to grow in both revenue but also increased the number of drivers and passengers in the market. In fact, this year has seen a modest 12% growth in the industry and a return of passenger and drivers alike to the taxi segment, a trend expected to continue through 2019.

Activities post 30 June 2018

There are two key activities post year end that have enhanced the business moving forward.

Firstly, the acquisition of Black & White Cabs, which was completed in early 2019, gave P2P Transport full vertical integration from dispatch, fleet operation, service and support, drivers and all the way through to the booking of fares and passengers. This model has been delivered well ahead of initial expectations and sees P2P Transport positioned as Australia's largest vertically integrated taxi network/operators. The acquisition of Black & White Cabs delivers dispatch and booking app capabilities to the business that will be expanded from Brisbane and Perth to be rolled out into Melbourne, Sydney and the Gold Coast providing both cost savings and organic revenue growth.

Secondly, the launch of Adflow digital taxi top advertising and the unique partnership with Telstra completes the strategic expansion of P2P. With a target of 900 units to be installed over the next 12 months the initial 300 units will be deployed before Christmas 2018. Telstra provide both the funding for hardware as well as the required mobile communication services. The deal delivers support, capabilities, experience and hardware funding for the units over 3 years and is a significant strategic pillar of the business. Early indications from several major digital and static advertisers are very positive as brands look to leverage the unique capabilities of a mobile, geolocation, over the air (OTA) management platform that displays high quality advertising content. Rollout of additional units will be balanced with advertiser demand over the coming 12 months.

Outlook for 2019

Operationally the business will continue to acquire vehicles while making several improvements following the FY18 results announcements. The business has improved information transparency, day-to-day support and tactical execution capabilities which has significantly repositioned the business for 2019. With continued fleet growth, the acquisition of Black & White Cabs and the earlier than expected development of the Adflow digital taxi advertising unit, P2P is ensuring a solid start to 2019.

Based on the scale achieved we are forecasting the operating environment during the first half of 2019 to be positive in terms of continued business growth as well as market growth, internal operations performance and cost efficiencies both within P2P Transport as well as the wider industry. There are 4 key elements of growth in the underlying forecast:

- **Utilisation and fleet performance** – Following the acquisition of Black & White Cabs and the launch of Adflow, our organisational restructure has been completed. The new structure delivers better focus on fleet performance delivering utilisation and revenue per vehicle back to forecast levels in line with the EBITDA per vehicle targets. Initial results are already proving to be positive.
- **Market growth and share win back** – Continue to see both total industry revenue growth as well as an increase in taxi segment specific usage. This has seen a return of taxi drivers to the industry as well as conversion of part time ride share driver to full time taxi drivers.
- **Scale efficiencies and standardisation** – Centralisation of parts purchasing that leverages scale efficiencies coupled with incremental growth on each site delivering lower per vehicle fixed costs;
- **Industry cost adjustments** – Continued regulatory improvements coupled with industry cost reduction in insurance and licence lease delivering further cost savings.

2019 continues to hold significant growth opportunities for the business. Fleet growth through acquisitions will be similar in total number of vehicles to 2018 given the industry remains highly fragmented and new markets such as Perth are now accessible (post Black & White Cabs acquisition). The trend of industry consolidation shows no signs of slowing and acquisition prices are falling making it less capital intensive for P2P Transport to grow the fleet.

Our strategic roadmap has been significantly accelerated and we believe the current strategic pathway coupled with our scale, team capabilities and the favourable market conditions will deliver the sustainable value and returns to passengers, drivers, team members and our shareholders in the years to come. For our first year as a listed company we have created the foundation to ensure that we deliver value to all our stakeholders.

Yours sincerely,

Thomas Varga
Chief Executive Officer

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p2ptransport.com.au

DIRECTORS' REPORT

The Directors of P2P Transport Limited (formerly P2P Transport Pty Ltd) ('the Company' or 'P2P') present their report together with the consolidated financial statements of the Company and its controlled entities ('the Group' or 'P2P Group') for the year ended 30 June 2018. To comply with the provisions of the *Corporations Act 2001*, the directors' report is as follows:

The names and particulars of the directors in office at any time during the financial year up to the date of this report are:

Name	Office	Appointment Date	Resignation Date
Mr Matthew Reynolds	Non-executive Director and Chairman	22/11/2017	–
Mr Thomas Varga	Managing Director and Chief Executive Officer	03/03/2017	–
Mr Harry Katsiabanis	Executive Director	03/03/2017	–
Mr. Greg Webb	Executive Director	03/08/2018	–
Mr Bruno D'Amico	Executive Director	03/03/2017	22/11/2017
Mr Chip Beng Yeoh	Non-executive Director	22/11/2017	–
Mr Peter Cook	Non-executive Director	22/11/2017	–
Mr Gary James Deigan	Non-executive Director	03/03/2017	22/11/2017

Incorporation

P2P Transport Limited was incorporated on 3 March 2017 as a holding company. The Company was admitted to the official list of the Australian Securities Exchange ('ASX') on 13 December 2017.

Principal activities

P2P is an integrated fleet management company focused on the provision of vehicles on a rental basis to independent professional drivers operating in the point-to-point passenger transport industry. P2P does not own any taxi plates or licenses, instead it leases these from either government authorities or private owners and operates its vehicles (assets) to provide a rental solution to professional drivers. Through major operational sites P2P delivers a vertically integrated solution that includes mechanical, panel, administration, support and rostering all from one location in-house.

State of affairs

On the 3 March 2017, P2P was formally incorporated through the merger of the Sydney and Melbourne operations. These businesses included all vehicles, support teams, mechanical and panel operations. The businesses included:

- Taxilink Pty Ltd
- TGT No 1 Pty Ltd
- A&S Sidhu Investments Pty Ltd
- Taxi Management Solutions Pty Ltd
- CabCare Pty Ltd
- D.Lee's Taxi Management Pty Ltd
- Temptrans Pty Ltd
- Unicross Nominees Pty Ltd

On the 26 October 2017, P2P acquired a Brisbane based business ('BWT Group') that operated a fleet of approximately 260 vehicles, support teams, mechanical and panel operations as well as all brands and trademarks. This business was located in Brisbane, Gold Coast and Toowoomba and included:

- BWTM Pty Ltd
- Taxis Qld Pty Ltd
- A.B.C Bodyworks Pty Ltd

P2P Group now has reached a critical mass that created Australia's largest vertically integrated passenger transport fleet and delivered an eastern seaboard footprint that formed the basis of the business to be listed on the ASX. On 13 December 2017 P2P Transport formally listed on the ASX. The listing included:

- Sites in Sydney, Melbourne, Tullamarine, Gold Coast, Brisbane and Toowoomba;
- Total of 720 vehicles across the eastern seaboard that included taxis, hire cars and ridesharing vehicles, albeit heavily focused on the taxi fleet;
- Vertically integrated infrastructure on each location that at the very least included all mechanical, administration and rostering and in most locations included panel services;

On the 12 of January 2018, P2P acquired Professional Taxis Gold Coast a Queensland based business that operated a fleet of approximately 110 vehicles.

There were no other significant changes in the state of affairs of the Group during the financial year.

Review of operations

The Group's rapidly growing fleet of approximately 1,100 taxi, corporate and ride-share vehicles managed from 8 sites situated in Victoria (Melbourne), NSW (Sydney) and Queensland (Brisbane, Gold Coast and Toowoomba), positions the Group as one of the largest fleet management operators of its kind in Australia.

Operational highlights for the year ended 30 June 2018 included:

- Successful corporate restructure and IPO in December 2017
  - STI and LTI programs have been developed for key staff;
  - 100% retention of senior staff since IPO;
  - no commercial concerns expressed by suppliers as a result of the IPO and subsequent growth strategies implemented;
  - new governance arrangements, policies and processes have been, and continue to be, established.
- Business synergies
  - BWTM (Brisbane) has seen the closure of the Yeronga site in February and integration of all vehicles into the existing Albion and Coopers Plains facilities delivering cost savings;
  - With Professional Taxis Gold Coast acquisition on 12 January 2018, Ashmore site has been consolidated into the Southport site delivering cost savings;
  - Part supplier rationalization already underway delivering synergy savings above expected levels. This will continue with a new project aimed at supplier consolidation and national service coverage.
- FY18 revenue showing overall growth from FY17
  - particular strength in acquiring pre-existing assets in the Sydney and Gold Coast market
  - a cautious approach to the Melbourne market as the new reforms continue to emerge
  - supports future revenue growth through acquisitions
- Market remains particularly strong as driver and passenger demand has shown an improvement over the past 12 months.

Group financial results

Revenue

The Group revenue increased by 267% of $23.8 million from $8.9 million in FY 17 to $32.7 in the current year. This increase is largely due to the following factors:

- Fleet revenue increased by $23.5 million as a result of an increase in fleet size of approximately 834 vehicles. This was driven by major acquisitions in Brisbane and Gold Coast, along with significant fleet acquisitions in NSW;
- Service revenue increased by $1 million as a result of major acquisitions in Brisbane and Gold Coast and continuing growth in the Victorian prestige panel repair; and
- Reduction in accident recovery income by $0.8 million.

Total expenses

The Group total expenses (inclusive of cost of sales, employee benefits expense and other operating expenses) increased from $8.1 million in FY17 to $37.9 million in the current year. This increase is largely due to the following factors:

- Increase in costs associated with the increase in fleet size as a result of major acquisitions in Brisbane and Gold Coast, along with significant fleet acquisition in NSW;
- Increase in employee benefits expense as a result of major acquisitions made during the year and additional resources required as a result of the IPO.

EBITDA

The Group recorded EBITDA of $16.9 million loss in FY18 compared to $0.78 million profit in FY17. EBITDA for the current year has largely impacted by one off IPO expenses of $11.8 million.

Loss After Income Tax

The Group recorded a statutory loss after income tax of $37.9 million in FY18 comparted to a $0.05 million profit after income tax in FY17.

Net Interest and Net Debt

Net interest charges increased from $0.11 million in FY17 to $14.5 million in FY18. This increase is largely due to finance costs associated with one off capital raising at IPO of $13.9 million. The Group held total bank facilities of $13.7 million and had $6.7 million drawn as at 30 June 2018 with $3.6 million cash at banks.

The Group's gearing ratio (net debt/net debt + equity) at 30 June 2018 was 15% (30 June 2017: 20%).

Operating Cash Flow

Cash flow used in operating activities for the year ended 30 June 2018 was $8.8 million with a net increase in cash of $3.6 million after investing and financing movements.

Net assets

The net assets of the Group have increased by $12.2 million, from $6.1 million at 30 June 2017 to $18.3 million at 30 June 2018. This increase is largely due to the following factors:

- Capital raising of $20 million;
- Net proceeds from convertible notes of $5.8 million; and
- Net loss for the year of $37.9 million, adjusted for finance charge on settlement of convertible notes of $13.9 million and share based payments of $10.7 million.

Shares under option

At the date of this report the Company has 221,115 (2017: Nil) unissued ordinary shares under option.

Dividends

No dividend was paid or declared in respect of the years ended 30 June 2018 and 2017.

Strategy and outlook

Strategy

P2P's business model is premised on the operating at all key stages of the fleet management lifecycle, from vehicle acquisition and in-house customization, vehicle servicing and driver support, and fleet management and administration.

P2P applies this model from central locations in each of the geographic regions in which it operates to ensure its targets for customer servicing and fleet utilization are achieved. Management considers that this represents a key point of differentiation from the Company's competitors and creates a sustainable competitive advantage.

The Group's strategic priorities are:

- **Achieve benefits through scale** – P2P believes that its strategy of increasing its fleet size while managing fleet utilization is critical to optimising operational efficiencies across the Group's network of service centres and centralised services offering.

  Increased scale provides the opportunity to enhance buying terms (for example, vehicles and related consumables, and other external services including insurance) and the ability to deploy new initiatives across a growing vehicle network and geography.

- **Deliver best in class vehicle services and repairs** – P2P's customers are independent professional drivers. Delivering high levels of service to the Group's customers, from car washing through to major repairs and replacement vehicles, ensures drivers experience minimal downtime. This underpins P2P's ability to attract and retain its customers.

- **Deliver technological innovations** – Investment in the development and implementation of innovative fleet management solutions including dispatch, vehicle tracking & diagnostics, and driver rostering presents a significant opportunity to enhance fleet utilization, deliver cost efficiencies and attract drivers. P2P currently has in soft-launch a range of initiatives that will be implemented across its network and will continue to invest in and/or externally source best-of-breed applications.

- **Maximise asset utilization** – Vehicle utilization is a key driver of the Group's profitability. P2P has and will continue to leverage technology and in-house service and maintenance expertise to maximize fleet utilization and vehicle uptime, as well as maximize vehicle useful life, in order to optimize returns on assets across the fleet.

- **Brand development** – The Group aims to develop the awareness and reputation of its brands in each of its market segments, with the intention of becoming the preferred provider of vehicles to both its customers and end-passengers.

Outlook

The outlook for P2P's business operations over the next twelve months include the following likely factors:

- expected growth in Brisbane and Perth operations as a result of new acquisition of BWC;
- increased contribution from the Group's NSW and Queensland operations;
- expected EBIDTA increase as a result of Adflow project started early FY19.
- expected delivery of further operational efficiencies and cost savings in 2019.

Events after balance sheet date

BWC acquisition

On 3 August 2018 P2P completed the acquisition of Black & White Holdings Limited ("BWC"). The acquisition will deliver in-house network capabilities to the group.

The purchase consideration comprises cash of $4.27 million (subject to completion adjustments), 4,364,000 fully paid ordinary shares amounting to $3.78 million at the share price on date of acquisition of $0.87 per share and contingent consideration of up to $12 million. The contingent consideration arrangement relates to two earn-out payments of up a maximum of $6 million each payable to the vendor based upon EBITDA achieved for BWC for FY19 and FY20. The group has not yet estimated the fair value of the contingent consideration payable at the date of the acquisition. The cash component of the acquisition was funded by way of a draw down of available bank facilities.

At the time the consolidated financial statements were authorised for issue, the group had not yet completed the accounting for the acquisition of BWC. In particular, sufficient information to provisionally account for the assets and liabilities acquired has not yet been obtained.

Greg Webb, Managing Director of BWC, was appointed as a director of P2P on the date of acquisition.

Fare Media acquisition

On 1 August 2018 P2P acquired the trade and assets of Fare Media, a leading digital and static passenger transport advertising company in order to expand the Adflow taxi advertising business. Total consideration of $100,000 is to be settled in shares.

Information on Directors

Director	Experience
 **Matthew Reynolds** *Independent non-executive director & chairman (appointed as Chairman on 22/11/2017)*	**Experience and Directorships held in other listed entities** Matthew is a partner in Thomson Geer's Corporate & M&A team. He specialises in debt and equity capital markets, mergers and acquisitions and private equity spanning over 20 years. He holds a Bachelor of Political Science & Economics (Hons) and a Bachelor of Laws (Hons) and is a member of both the Queensland Law Society and Company Law Committee, Queensland Law Society. Matthew is a non-executive director of ASX listed companies Bubs Australia Limited (ASX:BUB) and Axsesstoday Limited (ASX:AXL) and was previously a non-executive director of ASX listed G8 Education Limited (ASX:GEM). **Interest in Shares and Options** Shares: 26,515 (as at 15/8/2018) Options: Nil (as at 15/8/2018
 **Thomas Varga** *Managing Director and Chief Executive Officer (appointed as Managing Director on 19/09/2018, Executive Director on 03/03/2017 and CEO on 03/11/2017)*	**Experience and Directorships held in other listed entities** Tom is the founder of the NSW operations and has over 10 years of experience in the point-to-point transport industry. Prior to founding the NSW operations, Tom held management and senior management roles with Bluescope Steel and Macquarie Bank. At Macquarie, Tom drove the strategic direction of start-up ventures, Live Payments and MACT (taxi payment and network). Subsequently Tom became CEO of Live Group – a taxi-specific eftpos solution with proprietary software, which transitioned from early stage to commercial software with a national presence during Tom's tenure as CEO. **Interest in Shares and Options** Shares: 6,467,200 (as at 15/8/2018) Options: Nil (as at 15/8/2018)
 **Harry Katsiabanis** *Executive Director (appointed 03/03/2017)*	**Experience and Directorships held in other listed entities** Harry is the founder of the Victorian operations and has worked within the taxi industry since 1987. Harry was a founding director of Taxi-Link and Quicklink, and other independent fleet management and investment companies. Harry was also a founder of TaxiEpay, an alternative eftpos solution for taxis; which was acquired by Live Group. Harry holds a Masters of Entrepreneurship and Innovation from Swinburne University. His deep industry experience traverses accredited training initiatives, dispatch operations and industry-specific software solutions. Harry is a past board member of Entrepreneurs Organization (Melbourne) and previous chairman of Entrepreneurs Program, Swinburne University. Presently, Harry sits on the Stakeholder Reference Group panel that advises the Taxi Services Commission. **Interest in Shares and Options** Shares: 6,960,000 (as at 15/8/2018) Options: Nil (as at 15/8/2018)

Director	Experience
 **Chip Beng Yeoh** *Non-executive Director (appointed 22/11/2017)*	**Experience and Directorships held in other listed entities** Chip was the Chief Financial Officer at Cabcharge Australia Limited (ASX:CAB) from 2007 to 2015. He is experienced in mergers, acquisitions and subsequent business integration, investor relations, treasury and balance sheet management and cost management. Chip has worked in highly regulated industries both locally and abroad and has firsthand experience dealing with disruptive technologies. Chip started his career with Price Waterhouse in Singapore in 1982. He then joined OCBC Bank Singapore in 1989. Prior to coming to Australia in 2006, Chip was working in ComfortDelGro Corporation Limited, one of the world's largest land transport companies. **Interest in Shares and Options** Shares: 17,803 (as at 15/8/2018) Options: Nil (as at 15/8/2018)
 **Peter Cook** *Non-executive Director (appointed 22/11/2017)*	**Experience and Directorships held in other listed entities** Peter is the CEO of ASX listed payments specialist Novatti Group Limited (ASX:NOV) and the Chairman of recurring payments service provider Integrapay Pty Ltd. Peter has been a founder of financial transactions and technology businesses in Australia, the UK, Canada, Malaysia and Africa. Peter is a graduate of the Royal Military College, Duntroon and has previous management experience with PWC, Telstra and the Department of Defence and was the Deputy Chairman of Senetas Corporation Limited (ASX: SEN) from June 1999 to February 2006. He is a Graduate Member of the Australian Institute of Company Directors. Peter serves as an Independent Community Member on the Heathcote Hospital Governance Board. **Interest in Shares and Options** Shares: Nil (as at 15/8/2018) Options: Nil (as at 15/8/2018)
 **Greg Webb** *Executive Director (appointed 03/08/2018)*	**Experience and Directorships held in other listed entities** Greg Webb has been Managing Director of Black & White Cabs since June 1996. Greg has been associated with the taxi industry since 1982. Greg is also a taxi licence owner, Licenced Motor Dealer and property investor. Greg is a Fellow of the Australian Institute of Company Directors and a Fellow of the Australian Institute of Management. **Interest in Shares and Options** Shares: 1,203,476 (as at 15/8/2018) Options: Nil (as at 15/8/2018)

Company Secretary

The Company Secretary at the end of the financial year is Mr Hasaka Martin and he was appointed as Company Secretary on 22 November 2017. Mr Martin is a Chartered Secretary, holds a Graduate Diploma in Applied Corporate Governance and is a fellow of the Governance Institute of Australia.

Directors' meetings

During the financial year 8 meetings of directors, one audit committee meeting were held and no remuneration committee meeting was held. Attendances by each director during the year were as follows:

	Audit Committee Meetings		Directors' Meetings	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Matthew Reynolds	1	1	8	8
Thomas Varga	–	–	8	8
Harry Katsiabanis	–	–	8	8
Chip Beng Yeoh	1	1	8	8
Peter Cook	1	1	8	8

Indemnification and insurance of officers and auditors

During the financial year, the Company paid a premium in respect of a contract insuring the directors of the Company, the Company secretary and all executive officers of the Company and of any related body corporate against a liability that could be incurred as such a director, secretary or executive officer to the extent permitted by the *Corporations Act 2001.*

The directors have not included details of the nature of the liabilities covered or the amount of the premium paid in respect of the directors' and officers' liability and legal expenses insurance contracts as such disclosure is prohibited under the terms of the contract.

The Company has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the Company or of any related body corporate against a liability incurred as such an officer or auditor.

Proceedings on behalf of Company

No person has applied for leave to bring proceedings in Court on behalf of the Company or 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 any part of those proceedings.

Non-audit services

The board of directors, in accordance with advice from the Audit Committee, is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001.* The directors are satisfied that any services did not compromise the external auditor's independence for the following reasons:

- all non-audit services are reviewed and approved by the directors prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditor; and
- the nature of the services provided do not compromise the general principles relating to auditor independence in accordance with APES 110: Code of Ethics for Professional Accountants set by the Accounting Professional and Ethical Standards Board.

Non-audit services provided by Deloitte Touche Tohmatsu Limited and its related entities during the year ended 30 June 2018 were $1,184,661 (2017: $Nil).

Auditor's independence declaration

The lead auditor's independence declaration under section 307C of the *Corporations Act 2001* for the year ended 30 June 2018 has been received and is reproduced immediately following the Directors' Report.

Corporate Governance

The Board and management of P2P Transport are committed to conducting the Group's business in an ethical manner and in accordance with the highest standards of corporate governance. The Company has adopted and has substantially complied with the ASX Corporate Governance Principles and Recommendations (Third Edition) (Recommendations) to the extent appropriate to the size and nature of the Group's operations.

The Company has prepared a statement which sets out the corporate governance practices that were in operation throughout the financial year for the Company, identifies any recommendations that have not been followed and provides reasons for not following such Recommendations (Corporate Governance Statement).

The Corporate Governance Statement is accurate and up to date as at 27 August 2018 and has been approved by the Board and is available for review on the Company's website (www.p2ptransport.com.au) and will be lodged together with an Appendix 4G at the same time that this Financial Report is lodged with ASX.

Rounding of amounts

The Parent is a company of the kind referred to in ASIC Corporations (Rounding in Financials/Directors' Reports) Instrument 2016/191, dated 24 March 2016, and consequently the amounts in the directors' report and the annual financial report are rounded, that fact must be disclosed in the financial report or the directors' report.

REMUNERATION REPORT (AUDITED)

This remuneration report for the year ended 30 June 2018 outlines the remuneration arrangements of the Company and the Group in accordance with the requirements of the *Corporations Act 2001* (the Act) and its regulations. This information has been audited as required by section 308(3C) of the Act.

The remuneration report details the remuneration arrangements for key management personnel (KMP) who are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company and the Group, directly or indirectly, including any director (whether executive or otherwise) of the Company.

For the purposes of this report, Key Management Personnel are outlined below:

Key management personnel

Directors

Matthew Reynolds
Non-executive Director and Chairman

Thomas Varga
Managing Director and Chief Executive Officer

Harry Katsiabanis
Executive Director

Chip Beng Yeoh
Non-executive Director

Peter Cook
Non-executive Director

Executives

Bruno D'Amico
Chief Operating Officer

Matthew Turner
Chief Financial Officer

Other than the appointment of Greg Webb as executive director on 03/08/2018, there were no changes to Key Management Personnel after the reporting date and before the date the financial report was authorized for issue.

Remuneration policy

The culture of P2P is one that operates on a meritocracy for all employees at all levels while at the same time seeking to align shareholder interests with that of all employees at all levels through a sense of ownership. This is achieved through number of elements that focus on culture, appropriate recruitment and selective, regular updates from the CEO down as well as the overall sharing of information.

However, to ensure that alignment is achieved through performance the "Performance and Incentive Framework" rewards executives primarily through share ownership of the business with some cash elements. In fact, the more senior roles in the Group are more skewed to rewards through shares supporting the overall shareholders aligned focus.

The structure of the P2P incentive framework is skewed towards exceptional performance rather than simply delivery of budget or expectation. This is achieved through predetermined hurdles for each Short-term Incentive (STI) and Long-term Incentive (LTI) factor that is agreed at the start of each financial year and sets the performance hurdles. To achieve the full incentive percentage for STI or LTI the individual and the organisation must achieve the budgeted performance.

There are 3 types of incentives available to eligible executive:

- **Short-term Incentives (STI's)** – Specific team, role and individual based performance targets made up of a combination of operational, financial, strategic/ personal, safety and compliance/sustainability. STI's are rewarded in cash to the employee and weighting and performance is based on various Performance Hurdle categories;
- **Long-term Incentives (LTI's)** – Organisation focus performance targets that align with the creation of value to the organisation and the shareholder. All LTI's are paid in shares that vest over a period of time;
- **Retention Incentive (RI)** – Based solely on continued employment with the business that vests over the same period of time as LTI shares. This is achieved by being an employee at the time of measurement.

The performance of executives is measured against criteria agreed annually with each executive and is based predominantly on growth of revenue, EBITDA and improvement in share price. All bonuses and incentives are linked to predetermined performance criteria. The board may, however, exercise its discretion in relation to approving incentives, bonuses and share based payments. Any changes must be justified by reference to measurable performance criteria.
The policy is designed to attract the highest calibre executives and reward them for performance that results in long-term growth in shareholders' wealth.

The board policy is to remunerate non-executive directors at market rates for time, commitment and responsibilities. The board determines payments to the non-executive directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required. The maximum aggregate amount of fees that can be paid to non-executive directors is subject to approval by shareholders at the Annual General Meeting. It is currently $120,000 per annum for the Chairman and $70,000 per annum for other Non-executive directors. Non-executive directors are paid a base fee annually and fees are not linked to the profit of the Group. However, to align directors' interests with shareholder interests, the directors are encouraged to hold shares in the Company.

For the year ended 30 June 2018, no STI or LTI were paid or awarded and members of key management personnel did not have any remuneration linked to performance. The Group's net loss for the year was $37.9 million. The share price at date of IPO was $1.32 per share and moved between $1.45 and $1.10 per share up to 30 June 2018.

Share-based compensation

Issue of shares

There were no shares issued to Directors and other key management personnel as part of compensation during the year ended 30 June 2018 and 2017.

Options and rights

There were no options over ordinary shares issued to Directors and other key management personnel as part of compensation that were outstanding as at 30 June 2018 and 30 June 2017.

During the year, the Company granted Matthew Turner fixed compensation of $600,000 to be settled in a variable number of P2P shares over 3 years ending 13 December 2020. The shares vest in tranches of $200,000 over the three year period on condition that the recipient is employed by the Company on the date of vesting. As at 30 June 2018, the fair value of share-based payments amounting to $358,000 was charged to the consolidated statement of profit or loss and other comprehensive income. The share rights form part of Matthew Turner's base remuneration and align remuneration with performance of the Company's shares.

Other than above, there were no options or rights over ordinary shares granted to or vested by Directors and other key management personnel as part of compensation during the year ended 30 June 2018.

Shareholdings of key management personnel

The number of shares in the Company held during the financial year by each Director and other members of key management personnel of the Group, including their personally related parties, is set out below:

	Balance 1/7/2017	Increase due to share split	Shares sold at IPO	Total at IPO*	Additions – Others**	Balance 30/6/2018
Directors						
Matthew Reynolds	–	–	–	–	26,515	26,515
Chip Beng Yeoh	–	–	–	–	17,803	17,803
Peter Cook	–	–	–	–	–	
Thomas Varga	1,334,000	8,004,000	(2,934,800)	6,403,200	64,000	6,467,200
Harry Katsiabanis	1,450,000	8,700,000	(3,190,000)	6,960,000	–	6,960,000
Executives						
Bruno D'Amico	1,450,000	8,700,000	(3,190,000)	6,960,000	–	6,960,000
Matthew Turner	–	–	–	–	–	–
Total	**4,234,000**	**25,404,000**	**(9,314,800)**	**20,323,200**	**108,318**	**20,431,518**

* 20,323,200 shares held at IPO are held in escrow for 24 months until 13 December 2019.
** Additions others refer to shares purchased during the financial year.

Key management personnel remuneration

The remuneration for each director and the key management personnel of the consolidated and parent entities considered key to the operations during the year are listed in the table below:

		Short Term Benefits		Post Employ-ment Benefits	Long Term Benefits	Share-based Payments		Fixed Remu-neration Proportion
2018	Cash Salaries & Fees $	Cash Bonus $	Monetary Benefits* $	Super-annuation $	Long Service Leave $	Rights $	Total $	%
Non-Executive Directors								
Matthew Reynolds	66,130	–	–	6,280	–	–	72,410	100%
Chip Beng Yeoh	38,575	–	–	3,665	–	–	42,240	100%
Peter Cook	38,575	–	–	3,665	–	–	42,240	100%
Total	**143,280**	**–**	**–**	**13,610**	**–**	**–**	**156,890**	
Executive Managing Directors								
Thomas Varga	349,655	–	14,025	24,740	3,300	–	391,720	100%
Harry Katsiabanis	275,050	–	14,025	24,775	3,300	–	317,150	100%
Total	**624,705**	**–**	**28,050**	**49,515**	**6,600**	**–**	**708,870**	
Other KMP								
Bruno D'amico	275,050	–	14,025	24,775	3,300	–	317,150	100%
Matthew Turner	195,800	–	–	16,200	1,200	358,000	571,200	100%
Total Other KMP	**470,850**	**–**	**14,025**	**40,975**	**4,500**	**358,000**	**888,350**	
Total	**1,238,835**	**–**	**42,075**	**104,100**	**11,100**	**358,000**	**1,754,110**	

		Short Term Benefits		Post Employ-ment Benefits	Long Term Benefits	Share-based Payments		Fixed Remu-neration Proportion
2017	Cash Salaries & Fees $	Cash Bonus $	Monetary Benefits* $	Super-annuation $	Long Service Leave $	Rights $	Total $	%
Non-Executive Directors								
Matthew Reynolds	–	–	–	–	–	–	–	–
Chip Beng Yeoh	–	–	–	–	–	–	–	–
Peter Cook	–	–	–	–	–	–	–	–
Total	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Executive Directors								
Thomas Varga	–	–	–	–	–	–	–	–
Harry Katsiabanis	99,360	–	–	9,440	–	–	108,800	100%
Total	**99,360**	**–**	**–**	**9,440**	**–**	**–**	**108,800**	
Other KMP								
Bruno D'amico	99,360	–	–	9,440	–	–	108,800	100%
Matthew Turner	24,040	–	–	2,280	–	–	26,320	100%
Total Other KMP	**123,400**	**–**	**–**	**11,720**	**–**	**–**	**135,120**	
Total	**222,760**	**–**	**–**	**21,160**	**–**	**–**	**243,920**	

* Monetary benefits relate to motor vehicle allowance.
** No remuneration paid during the year or previous year to Mr. Gary James Deigan as a non-executive director.

Other transactions with KMP and their related parties

	Rent* $'000	Purchases** $'000	Amounts owed to/ (from) $'000
2018	170	3,430	288
2017	108	–	–

* P2P Head office located in Melbourne. This site is rented from a director-controlled entity being, the Damico Family Trust and The Katsiabanis Family Trust.

**In order to meet peak demands by its customers, the Group has some of its vehicle purchasing services carried out by Ocimad Pty Ltd, an entity controlled by key management person Bruno D'Amico.

Engagement details of directors and senior executives

Remuneration arrangements for some KMP are formalized in engagement agreements.
Details of these agreements are provided below.

Name	Matthew Reynolds
Title	Non-executive Director and Chairman
Agreement commenced	13 December 2017
Term of agreement	No fixed term
Details	Directors fees for the year ended 30 June 2018 of $120,000 plus superannuation of $11,400. There are no other entitlements.

Name	Thomas Varga
Title	Managing Director and Chief Executive Officer
Agreement commenced	13 December 2017
Term of agreement	No fixed term
Details	Base salary, including motor vehicle allowance, of $400,000 plus superannuation of $27,000. Remuneration for the period from 1 July 2017 to 12 December 2017 was $158,496 (year ended 30 June 2017: $26,320). Six (6) month termination notice by either party. Eligible to participate in performance remuneration plan above.

Name	Harry Katsiabanis
Title	Executive Director
Agreement commenced	13 December 2017
Term of agreement	No fixed term
Details	Base salary, including motor vehicle allowance, of $250,000 plus superannuation of $23,750. Remuneration for the period from 1 July 2017 to 12 December 2017 was $166,446 (year ended 30 June 2017: $108,800). Six (6) month termination notice by either party. Eligible to participate in performance remuneration plan above.

Name	Chip Beng Yeoh
Title	Non-executive Director
Agreement commenced	13 December 2017
Term of agreement	No fixed term
Details	Directors fees for the year ended 30 June 2018 of $70,000 plus superannuation of $6,650. There are no other entitlements.

Name	Peter Cook
Title	Non-executive Director
Agreement commenced	13 December 2017
Term of agreement	No fixed term
Details	Directors fees for the year ended 30 June 2018 of $70,000 plus superannuation of $6,650. There are no other entitlements.

Name	Bruno D’amico
Title	Chief Operating Officer
Agreement commenced	13 December 2017
Term of agreement	No fixed term
Details	Base salary, including motor vehicle allowance, of $250,000 plus superannuation of $23,750. Remuneration for the period from 1 July 2017 to 12 December 2017 was $166,446 (year ended 30 June 2017: $108,800). Six (6) month termination notice by either party. Eligible to participate in performance remuneration plan above.

Name	Greg Webb
Title	Executive Director
Agreement commenced	03 August 2018
Term of agreement	2 years contract
Details	Consultancy fee for the year ending 30 June 2019 of $314,000 plus fixed motor vehicle allowance of $3,000 per month.

Name	Matthew Turner
Title	Chief Financial Officer
Agreement commenced	13 December 2017
Term of agreement	No fixed term
Details	Base salary, including motor vehicle allowance, of $250,000 plus superannuation of $23,750. Remuneration for the period from 1 July 2017 to 12 December 2017 was $64,595 (year ended 30 June 2017: $26,320). Six (6) month termination notice by either party. Eligible to participate in performance remuneration plan above.

End of remuneration report.

The directors’ report is signed in accordance with a resolution of the directors made pursuant to s.298(2) of the *Corporations Act 2001*.

Matthew Reynolds
Non-executive Director and Chairman
Date 27 September 2018

Chip Beng Yeoh
Non-executive Director and Chair of Audit Committee
Date 27 September 2018

AUDITOR'S INDEPENDENCE DECLARATION

Deloitte.

Deloitte Touche Tohmatsu
ABN 74 490 121 060

550 Bourke Street
Melbourne VIC 3000
GPO Box 78
Melbourne VIC 3001 Australia

DX: 111
Tel: +61 (0) 3 9671 7000
Fax: +61 (0) 3 9761 7001
www.deloitte.com.au

27 September 2018

The Board of Directors
P2P Transport Limited
1313 – 1315 North Road
HUNTINGDALE VIC 3166

Dear Board Members

P2P Transport Limited

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of P2P Transport Limited.

As lead audit partner for the audit of the financial statements of P2P Transport Limited for the financial year ended 30 June 2018, I declare that to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

Yours sincerely

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Gerard Belleville

Gerard Belleville
Partner
Chartered Accountants

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Member of Deloitte Touche Tohmatsu Limited

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2018

		2018	2017
	Note	$'000s	$'000s
Revenue	4	32,711	8,916
Cost of sales		(25,866)	(6,042)
Gross profit		6,845	2,874
Employee benefits expense		(6,411)	(1,077)
Other operating expenses		(5,573)	(1,013)
Initial public offer expenses	5	(11,801)	–
Impairment loss on goodwill	5	(2,700)	–
Finance costs	5	(14,476)	(113)
Depreciation and amortisation	5	(3,678)	(608)
(Loss)/Profit before income tax		(37,794)	63
Income tax expense	6.1	(68)	(13)
(Loss)/Profit for the year attributable to members of the parent		**(37,862)**	**50**
Other comprehensive income, net of tax			
Items that will not be reclassified subsequently to profit or loss:			
Gain on revaluation of plant and equipment		–	790
Other comprehensive income for the year, net of income tax		**–**	**790**
Total comprehensive (loss)/income for the year attributable to members of the parent		**(37,862)**	**840**
(Loss)/Earnings per Share	9		
Basic (loss)/profit per share (cents per share)		(64.4)	0.44
Diluted (loss)/profit per share (cents per share)		(64.4)	0.44

The accompanying notes form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2018

	Note	2018 $'000s	2017 $'000s
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	10	3,618	62
Trade and other receivables	11	3,764	1,549
Inventories	12	491	–
Other current assets	13	3,032	125
TOTAL CURRENT ASSETS		**10,905**	**1,736**
NON-CURRENT ASSETS			
Plant and equipment	14	14,581	4,189
Intangible assets and goodwill	15	4,486	4,462
Investments in associates		100	100
Deferred tax assets	6.5	1,207	252
TOTAL NON-CURRENT ASSETS		**20,374**	**9,003**
TOTAL ASSETS		**31,279**	**10,739**
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	16	4,248	2,544
Borrowings	17	3,078	887
Current tax liabilities	6.4	185	142
Provisions	18	973	89
TOTAL CURRENT LIABILITIES		**8,484**	**3,662**
NON-CURRENT LIABILITIES			
Borrowings	17	3,666	658
Provisions	18	145	14
Deferred tax liabilities	6.5	699	293
TOTAL NON-CURRENT LIABILITIES		**4,510**	**965**
TOTAL LIABILITIES		**12,994**	**4,627**
NET ASSETS		**18,285**	**6,112**
EQUITY			
Issued capital	20	54,086	4,777
Asset revaluation reserve	21	790	790
Other reserves	21	726	–
Accumulated (losses)/profits		(37,317)	545
TOTAL EQUITY		**18,285**	**6,112**

The accompanying notes form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2018

	Note	Issued Capital $'000s	Asset Revaluation Reserve $'000s	Other Reserves $'000s	Accumulated Profits/ (Losses) $'000s	Total $'000s
Balance at 1 July 2016		**–**	**–**	**–**	**495**	**495**
Profit for the year		–	–	–	50	50
Other comprehensive income		–	790	–	–	790
Total comprehensive income for the year		–	790	–	50	840
Shares issued		4,777	–	–	–	4,777
Balance at 30 June 2017		**4,777**	**790**	**–**	**545**	**6,112**
Balance at 1 July 2017		**4,777**	**790**	**–**	**545**	**6,112**
Loss for the year		–	–	–	(37,862)	(37,862)
Other comprehensive income		–	–	–	–	–
Total comprehensive loss for the year		–	–	–	(37,862)	(37,862)
Shares issued: initial public offer		20,000	–	–	–	20,000
Shares issued on conversion of convertible notes		19,796	–	–	–	19,796
Shares issued in exchange for services received		10,160	–	–	–	10,160
Share options and rights granted	30	–	–	526	–	526
Shares issued as consideration for business combinations	19	750	–	–	–	750
Equity instruments to be issued as consideration for business combinations	19	–	–	200	–	200
Share issue transaction costs, net of tax		(1,397)	–	–	–	(1,397)
Balance at 30 June 2018		**54,086**	**790**	**726**	**(37,317)**	**18,285**

The accompanying notes form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 30 June 2018

	Note	2018 $'000s	2017 $'000s
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		35,462	9,952
Payment to suppliers and employees		(43,752)	(8,470)
Interest and costs of finance paid		(520)	(113)
Income tax refunds		43	136
Net cash (used in)/provided by operating activities	23	(8,767)	1,505
CASH FLOWS FROM INVESTING ACTIVITIES			
Net consideration (paid)/received in cash for business acquisitions	19	(7,145)	33
Payments for plant and equipment	14	(8,124)	(671)
Proceeds from disposal of plant and equipment		34	–
Investment in associates		–	(100)
Payment for intangible assets	15	(18)	–
Net cash used in investing activities		(15,253)	(738)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings		7,712	–
Repayment of borrowings		(3,980)	(800)
Proceeds from issue of new shares	20	20,000	–
Transaction costs relating to issue of new shares		(1,996)	–
Proceeds from the issue of convertible notes	20	9,840	–
Repayment of convertible notes		(4,000)	–
Net cash flow from/(used in) financing activities		27,576	(800)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		3,556	(33)
Cash and cash equivalents at beginning of year	10	62	95
CASH AND CASH EQUIVALENTS AT END OF YEAR	**10**	**3,618**	**62**

The accompanying notes form part of these consolidated financial statements.

1. Corporate Information

These financial statements cover the consolidated entity consisting of P2P Transport Limited (the "Company") and its subsidiaries (collectively referred to as the "Group"). The Company is a company of the kind referred to in ASIC Corporations (Rounding in the Financials/Director's Reports) Instrument 2016/191, and consequently the amounts in the directors' report and the consolidated financial statements are rounded off to the nearest thousand Australian dollars, unless otherwise indicated.

P2P Transport Limited is a public company listed on the Australian Securities Exchange and incorporated and domiciled in Australia. A description of the nature of the Group's operations and its principal activities are included in the directors' report, which is not part of the consolidated financial statements.

The registered office and principal place of business of the Company is:

P2P Transport Limited
1313-1315 North Road
Huntingdale, VIC 3166
Australia

2. Application of New and Revised International Financial Reporting Standards

2.1 Amendments to Accounting Standards and new Interpretations that are mandatorily effective for the current reporting year

The Group has adopted the following new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to their operations and effective for the current year.

- AASB 1048 Interpretation of Standards
- AASB 2016-1 Amendments to Australian Accounting Standards – Recognition of Deferred Tax Assets for Unrealised Losses
- AASB 2016-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107
- AASB 2017-2 Amendments to Australian Accounting Standards – Further Annual Improvements 2014-2016

The adoption of these new and revised Standards and Interpretations did not have any material impact on the Group's consolidated financial statements.

2.2 New and revised Australian Accounting Standards and Interpretations on issue but not yet effective

At the date of authorisation of the consolidated financial statements, the Group has not applied the following new and revised Australian Accounting Standards, Interpretations and amendments that have been issued but are not yet effective:

Standard/ amendment	Effective for annual reporting periods beginning on or after	Expected to be initially applied in the financial year ending
AASB 9 'Financial Instruments'	1 January 2018	30 June 2019
AASB 15 'Revenue from Contracts with Customers'	1 January 2018	30 June 2019

Standard/ amendment	Effective for annual reporting periods beginning on or after	Expected to be initially applied in the financial year ending
AASB 16 Leases	1 January 2019	30 June 2020

The directors anticipate that the adoption of these Standards and Interpretations in future years will have the following impacts:

AASB 9 – Financial Instruments, addresses the classification, measurement and derecognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets.

In relation to the impairment of financial assets, AASB 9 requires an expected credit loss model as opposed to an incurred credit loss model under AASB 139. The expected credit loss model requires the group to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition of the financial assets. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised. The directors do not anticipate that the application of the AASB 9 new impairment model requirements will have a material impact on the Group's financial statements.

The group does not currently enter into hedge accounting transactions and therefore the new AASB 9 hedge accounting rules will not impact the Group's consolidated financial statements.

All financial assets and financial liabilities will continue to be classified and measured on the same bases as currently adopted under AASB 139.

AASB 15 – Revenue from Contracts with Customers, replaces AASB 118 and AASB 111. The new standard is based on the principle that revenue is recognised when control of a good or service transfers to a customer. The standard permits either a full retrospective or a modified retrospective approach for the adoption.

The main income streams are as follows:

Fleet revenue

Fleet revenue is short term rental of taxis and hire car vehicles. This revenue is recognised on a straight line basis over the period the vehicles are provided to the driver.

Service revenue

Service revenue arises from the provision of minor repair and vehicle servicing. Revenue from services is recognised as the repair or vehicle service work is provided.

Accident recovery income

Accident recovery income arises at the time of a vehicle accident when the other party is at fault. This income is recognised at the time of the vehicle accident.

Apart from providing more extensive disclosures on the Group's revenue transactions, the directors do not anticipate that the application of AASB 15 will have a material impact on the Group's consolidated financial statements. The requirement of the new standard to recognise fleet and service revenue over a period of time as the service is carried out is consistent with the Group's current accounting policy under AASB 118.

AASB 16 Leases modifies accounting for leases by lessees through removing the current distinction between operating and financing leases. The standard requires recognition of a "right of use" asset and a financial liability for all leases by lessees, with exemptions for short term and low value leases.

The standard will primarily affect the accounting for the Group's operating leases. As at the reporting date, the Group has non-cancellable operating lease commitments of $6.306 million (see note 22).

Following implementation, the Group will recognise right of use assets and corresponding financial liabilities for the present value of the future lease payments. Asset amortisation and interest expenses will be recognised in the income statement replacing operating lease expenses. Further, the principal component of lease payments will be reclassified from operating to financing activities in the statement of cash flows. Certain performance metrics and ratios will be impacted as a result of the above changes, including EBITDA.

The Group is still preparing an inventory for all of its operating lease contracts and considering the available options for transition and has not yet forecasted the financial impacts of the new standard, but will do so leading up to application of the standard.

There are no other standards that are not yet effective and that are expected to have a material impact on the Group's consolidated financial statements.

3. Statement of Significant Accounting Policies

3.1 Statement of Compliance

These financial statements are general purpose financial statements which have been prepared in accordance with the *Corporations Act 2001*, Accounting Standards and Interpretations, and comply with other requirements of the law.

The financial statements comprise the consolidated financial statements of the Group. For the purposes of preparing the consolidated financial statements, the Company is a for-profit entity.

Accounting Standards include Australian Accounting Standards. Compliance with Australian Accounting Standards ensures that the financial statements and notes of the Company and the Group comply with International Financial Reporting Standards ('IFRS').

3.2 Basis of Preparation

The consolidated financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*, and prepared for the purpose of presenting the consolidated entity as a for-profit entity.

The consolidated financial statements have been prepared on the historical cost basis except for certain non-current assets and financial instruments that are measured at fair value at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is 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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of AASB 2, leasing transactions that are within the scope of AASB 117, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in AASB 102 or value in use in AASB 136.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that
- the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for
- the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

3.3 Principles of Consolidation

The consolidated financial statements comprise the financial statements of the Group and its subsidiaries as at 30 June 2018. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption, and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

All inter-group balances and transactions between entities in the Group, including any unrealised profits or losses, have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with those adopted by the parent entity.

3.4 Group Reorganisation and Comparative Information

The Company was incorporated on 3 March 2017 and on that date acquired 100% of the shares of 8 companies representing the legacy Victoria and New South Wales operations of the Group.

The acquisition was effected by exchanging equity interests with the Victorian legal subsidiaries, Unicross Nominees Pty Ltd ("Unicross") and Taxilink Pty Ltd ("Taxilink"), deemed to be the acquirer from an accounting perspective.

Although the consolidated financial statements are issued under the name of P2P Transport Limited, they represent the continuation of the financial statements of the Victorian legal subsidiaries except for their capital structure. The consolidated financial statements therefore reflect:

- the assets and liabilities of Unicross and Taxilink (the accounting acquirer) recognised and measured at their pre-combination carrying amounts.
- the assets and liabilities of the P2P Transport Limited and the New South Wales legal subsidiaries (the accounting acquiree) recognised and measured at fair value in accordance with AASB 3 – Business Combinations.
- the retained earnings and other equity balances of Unicross and Taxilink (accounting acquirer) before the business combination.
- the comparative consolidated statement of profit or loss and other comprehensive income, statement of cash flows and statement of changes in equity of Unicross and Taxilink (accounting acquirer) up to the date of the business combination.

During the current year, the Group has finalised the purchase price allocation for the above acquisition (Refer to note 19 to the notes to the consolidated financial statements for more details).

3.5 Business Combinations

Business combinations are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition date fair values of the assets transferred by the acquirer, the liabilities incurred by the acquirer to former owners of the acquiree and the equity issued by the acquirer in exchange for control of the acquiree. For each business combination, the acquirer measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured at fair value as at the acquisition date through profit or loss.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability will be recognised in accordance with AASB 139 *Financial Instruments: Recognition and Measurement* either in profit or loss or in other comprehensive income. If the contingent consideration is classified as equity, it shall not be remeasured.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

Goodwill is recognised initially at the excess of cost over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised. If the fair value of the acquirer's interest is greater than cost, the surplus is immediately recognised in profit or loss.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

3.6 Income Tax

The income tax expense/benefit for the year comprises current income tax expense/benefit and deferred tax expense/benefit.

Current income tax expense/benefit charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities/assets are therefore measured at the amounts expected to be paid to/recovered from the relevant taxation authority.

Deferred income tax expense/benefit reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense/benefit is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available.

No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

Tax rates and tax laws are based on applicable jurisdictions.

Tax Consolidation

The Company and its wholly-owned Australian resident entities are members of a tax-consolidated group under Australian tax law. The Company is the head entity within the tax consolidated group. In addition to its own current and deferred tax amounts, the Company also recognises the current tax liabilities and assets and deferred tax assets arising from unused tax losses and relevant tax credits of the members of the tax-consolidated group.

Amounts payable or receivable under the tax-funding arrangement between the Company and the entities in the tax consolidated group are determined using a "separate taxpayer within the group" approach to determine the tax contribution amounts payable or receivable by each member of the tax consolidated group. This approach results in the tax effect of transactions being recognised in the legal entity where that transaction occurred, and does not tax effect transactions that have no tax consequences to the Group. The same basis is used for tax allocation within the tax-consolidated group.

3.7 Segment Reporting

Information reported to the Group's chief operating decision maker for the purposes of resource allocation and assessment of performance is specifically focussed on the operating businesses in each geographic location. The Group's primary reporting format is geographical segments as its risks and rates of return are predominantly affected by having operations in different states. Information regarding the Group's reportable segments is presented in note 29.

The Group has therefore determined its reportable segments comprise Victoria, New South Wales and Queensland.

Unallocated costs represent predominantly corporate and other unallocated costs relevant to the group as a whole that do not relate to the operations of a specific segment.

Victoria (VIC)

Victoria includes the revenues and profits associated with the provision of the Group's business within the Victoria geographical region.

New South Wales (NSW)

New South Wales includes the revenues and profits associated with the provision of the Group's business within the New South Wales geographical region.

Queensland (QLD)

Queensland includes the revenues and profits associated with the provision of the Group's business within the Queensland geographical region.

Segment revenue, expense and segment result include transfers between business segments. Those transfers are eliminated on consolidation.

3.8 Revenue and Other income

Revenue is recognised when it is probable that the economic benefit will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Revenue

Fleet revenue

Fleet revenue is generated by allowing drivers to use the group's fleet. The agreed fee, which can be fixed or revenue share depending on the market and the vehicle driver's preference, is paid by vehicle driver to the fleet operator based upon the period of time the vehicle is made available to the driver. Revenue is recognised over the period which the vehicle has been provided to the driver.

Service revenue (mechanical/panel)

Service revenue is generated for work performed on third party vehicles. Service revenue is recognised based upon the percentage completion of the work requested, measured by reference to labour hours incurred to date as a percentage of estimated total labour hours. Revenue arising from the sale of parts fitted to customers' vehicles during service is recognised upon delivery of the fitted parts to the customer upon completion of the service.

Income

Accident recovery income

In the event of P2P Transport vehicles being involved in an accident, the cost of repairs are recovered from the "at fault party" or the insurer, as appropriate. Income is recognized when the amount recoverable can be reliably estimated.

Interest income

Interest income 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.

3.9 Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are included in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the balance sheet.

3.10 Borrowing Costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

3.11 Leases

Leases where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that are transferred to entities in the Group, are classified as finance leases. All other leases are classified as operating leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. The corresponding liability to the lessor is included in the consolidated statement of financial position as a finance lease obligation. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments for operating leases are charged as expenses on a straight-line basis over the lease term. Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

3.12 Inventories

Inventories are measured at the lower of cost and net realisable value. The costs of spare parts are assigned on the basis of weighted average costs. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

3.13 Plant and Equipment

Motor vehicles are stated in the consolidated statement of financial position at their revalued amounts, being the fair value at the date of revaluation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are performed on a periodic basis, but at least every 3-5 years, such that the carrying amounts do not differ materially from those that would be determined using fair values at the end of each reporting period.

Any revaluation increase arising on the revaluation of motor vehicles is recognised in other comprehensive income and accumulated in equity, except to the extent that it reverses a revaluation decrease for the same asset previously recognised in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously expensed. A decrease in the carrying amount arising on the revaluation of such motor vehicles is recognised in profit or loss to the extent that it exceeds the balance, if any, held in the motor vehicles revaluation reserve relating to a previous revaluation of that asset.

Depreciation on revalued motor vehicles is recognised in profit or loss. On the subsequent sale or retirement of a motor vehicles, the attributable revaluation surplus remaining in the motor vehicles revaluation reserve is transferred directly to retained earnings.

Plant and equipment is measured on the cost basis less depreciation and impairment losses. Plant and equipment is measured initially at cost. Cost includes all directly attributable expenditure incurred including costs to get the asset ready for its use as intended by management and if applicable, cost includes an estimate of any expenditure expected to be incurred at the end of the asset's useful life.

The following useful lives are used in the calculation of depreciation:

Plant and equipment	3 – 15 years
Furniture and fittings	3 – 15 years
Motor Vehicles	8 years
Leasehold improvements	Lease period

The carrying amount of plant and equipment is reviewed annually by directors for indications of impairment. If any such indications exist, an impairment test is carried out, and any impairment losses on the assets are recognised in profit or loss.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit on loss during the financial period in which they are incurred.

The depreciable amount of all fixed assets is depreciated on a straight-line or diminishing value basis over their useful lives (commencing from the time the asset is ready for use). Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciable amount is the carrying value of the asset less estimated residual amounts. The residual amount is based on what a similar asset of the expected condition of the asset at the end of its useful life could be sold for.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

3.14 Financial Instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

Loans and receivables

Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short term receivables when the effect of discounting is immaterial.

The amortised cost of a financial asset is the amount initially recognised minus principal repayments, plus or minus cumulative amortisation of any difference between the initial amount and the maturity amount and minus any write-down for impairment.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a group entity are recognised at the proceeds received, net of direct issue costs.

Financial liabilities

Financial liabilities are classified as either financial liabilities at fair value through profit or loss (FVTPL) or other financial liabilities.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is (i) contingent consideration that may be paid by an acquirer as part of a business combination, (ii) held for trading, or (iii) it is designated as at FVTPL.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss.

Other financial liabilities

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

3.15 Borrowings

Borrowings are initially recognised at fair value and net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

3.16 Investment in Associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting. Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate.

3.17 Impairment of Assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

3.18 Intangible Assets

Goodwill on acquisition

Goodwill on consolidation is initially recorded at the amount by which the purchase price for a business or for an ownership interest in a controlled entity exceeds the fair value attributed to its net assets at date of acquisition. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Other intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination including software, are reported at cost less accumulated amortization and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Amortisation rates

Class of intangibles	Amortisation rate	Amortisation basis
Software	5 years	Straight line

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss when the asset, is derecognised.

3.19 Foreign Currency Transactions and Balances

Functional and presentation currency

The functional currency of each of the Group's entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when the values were determined.

Exchange differences arising on the translation of monetary items are recognised in the consolidated statement of comprehensive income, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognised directly in equity to the extent that the gain or loss is directly recognised in equity, otherwise the exchange difference is recognised in the consolidated statement of comprehensive income.

3.20 Employee Benefits

Short and long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave in the period the related service is rendered.

Liabilities recognised in respect of short-term employee benefits, are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Liabilities recognised in respect of long term employee benefits are measured at the present value of the estimated future cash outflows to be made by the Group in respect of service provided by the employees up to reporting date.

Retirement benefit costs

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

3.21 Share-based Payment Arrangements

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

3.22 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received, and the amount of the receivable can be measured reliably.

3.23 Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

3.24 Contributed equity

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

3.25 Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

3.26 Earnings Per Share

(i) Basic earnings per share

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

(ii) 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 additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

3.27 Critical Accounting Estimates and Judgements

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 estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group.

Management has identified the following critical accounting policies for which significant judgements, estimates and assumptions are made. Actual results may differ from these estimates under different assumptions and conditions and may materially affect financial results or the financial position reported in future periods. Further details of the nature of these assumptions and conditions may be found in the relevant notes to the financial statements.

Useful lives of plant and equipment

The group reviews the useful lives of plant and equipment at the end of each reporting period. During FY17 the directors determined that the useful life of vehicles be extended from 6.5 years to 8 years to take into account the expected useful life of the vehicles and changes to regulations relating to the maximum age of taxi car vehicles. The financial effect of this reassessment is reflected in the financial statements for all periods presented.

Recovery of deferred tax assets

A deferred tax asset has been recognised for deductible temporary differences and carried forward tax losses. Management considers that it is probable that future taxable profits will be available to utilise these temporary differences and carried forward tax losses. Management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the estimated timing and the level of future taxable profits over the next two years together with future tax planning strategies.

Impairment of goodwill

The Group determines whether goodwill and intangibles with indefinite useful lives are impaired at least at each reporting date. This requires an estimation of the recoverable amount of the cash-generating units to which goodwill has been allocated, using a value-in-use discounted cash flow methodology. The value in use calculation requires the directors to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. Where the actual future cash flows are less than expected, a material impairment loss may arise.

The carrying value of goodwill as at 30 June 2018 was $4,455,000 (2017: $4,455,000) after an impairment loss of $2,700,000 was recognised during 2018 (2017: nil). Refer to note 15 for more details.

Fair value measurement of the group's motor vehicles

The group's motor vehicles are stated at their revalued amounts, being the fair value at the date of revaluation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The fair value measurement of the group's motor vehicles was performed by management and was based on the market comparable approach that reflects recent transaction prices for similar assets.

Vehicle Accident Receivables and Payables

The Group establishes amounts arising as income and receivable from vehicles accidents where the driver of the Company's vehicle was "not at fault". Income is recognized at the date of the accident when recovery is considered to be highly probable with the amount recognized in income estimated based upon the history of not at fault vehicle accidents. The amount recognised as accidents receivable at each reporting period is estimated using the known amount of open vehicle accidents and the likely financial outcome of not at fault vehicle accidents.

The group also estimates amounts incurred as expenses and amounts payable from the vehicles accidents where the driver of the company was "at fault". Expenses are recognized at the date of the accident with the amount recognized as an expense estimated based upon the history of at fault vehicle accidents. The amount recognised as accident payables at each reporting period is estimated using the known amount of open vehicle accidents and the likely financial outcome of at fault vehicle accidents.

3.28 Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

	2018	2017
	$'000s	$'000s
4. Revenue and other income		
Fleet revenue	31,284	7,657
Service revenue (mechanical/panel)	1,439	435
Accident (settlement expense)/recovery income	(209)	700
Other income	197	124
	32,711	**8,916**

	2018	2017
	$'000s	$'000s
5. Expenses		
Depreciation of non-current assets:		
Plant and equipment	3,667	608
Amortisation of intangible assets	11	–
Total Depreciation and Amortisation	**3,678**	**608**
Finance costs		
Finance charge on settlement of convertible notes (note 20)	13,956	–
Interest expense on finance lease arrangements	520	113
	14,476	113
Rent expense	1,145	194
Share based payments (note 30)	358	–
Initial public offer expenses		
IPO expenses settled in cash	1,473	–
IPO expenses settled in shares (note 20)	10,160	–
IPO expenses settled in share options (note 30)	168	–
	11,801	–
Impairment loss on trade receivables (note 11)	80	–
Impairment loss on goodwill (note 15)	2,700	–

	2018	2017
	$'000s	$'000s
6. Income Tax Expense		
6.1 Income tax recognised in profit or loss		
Current tax	99	266
Deferred tax	(31)	(253)
Total income tax expense recognised	**68**	**13**
The prima facie tax on (loss)/profit from ordinary activities before income tax is reconciled to the income tax as follows:		
(Loss)/Profit before income tax	(37,794)	63
Prima facie tax (benefit)/payable on profit before income tax at 30% (2017: 30%)	(11,338)	19
Add:		
Tax effect of:		
– non-allowable items	8,494	2
– unused tax losses not recognised as deferred tax assets	2,912	–
Less:		
Tax effect of:		
– other non-allowable items	–	(8)
	–	(8)
Income tax expense recognised in the current year relating to continuing operations	68	13
6.2 Income tax recognised in other comprehensive income		
The components of income tax (benefit)/expense recognised in comprise:		
Current tax	–	–
Deferred tax		
– Revaluation of plant and equipment	–	338
	–	338
6.3 Income tax recognised directly in equity		
The components of income tax benefit recognised in comprise:		
Current tax	–	–
Deferred tax		
– Share issue costs deductable over 5 years	(599)	–
	(599)	–
6.4 Current tax assets and liabilities		
Current tax assets	–	–
Current tax liabilities	185	142

	2018	2017
	$'000s	$'000s
6.5 Deferred tax balances		
The following is the analysis of deferred tax assets/(liabilities) presented in the consolidated statement of financial position:		
Deferred tax assets:		
Deferred tax assets comprise temporary differences attributable to		
– Provisions	374	59
– Tax losses	–	193
– Capital raising costs	833	–
Deferred tax assets	1,207	252
Movements:		
Opening balance	252	44
Acquired on business combinations (note 19)	70	–
Recognised directly in equity	599	–
Recognised in profit or loss	286	208
Closing balance	1,207	252
Deferred tax liabilities:		
Deferred tax liabilities comprise temporary differences attributable to		
– Revaluation of plant and equipment	532	293
– Prepayments	167	–
Deferred tax liabilities	699	293
Movements:		
Opening balance	293	–
Acquired on business combinations (note 19)	151	–
Credited/(charged) to profit or loss	255	(45)
Charged to other comprehensive income	–	338
Closing balance	699	293

	2018	2017
	$	$
7. Auditor's Remuneration:		
Amounts received or due and receivable by Deloitte Australia for:		
An audit or review of the financial report of the Company and any other entity in the Group	250,000	–
Other services in relation to the Company and any other entity in the Group:		
IPO related services	850,000	–
Due diligence services	244,886	–
Tax advisory services	89,775	–
	1,434,661	–

8. Dividends Paid and Declared

There were no dividends paid for the years ended 30 June 2018 and 2017 or declared after year end.

	2018	2017
	$'000s	$'000s
9. (Loss)/Earnings Per Share		
The following reflects the (loss)/earnings per share data used in the calculation of basic and diluted (loss)/earnings per share (EPS) computations.		
EPS is calculated based on:		
(Loss)/Profit for the year	(37,862)	50
Weighted average number of ordinary shares used in the calculation of basic and diluted EPS	58,791	11,346*
Basic and diluted (Loss)/Earnings per share (cents)	**(64.4)**	**0.44**
Anti-dilutive potential ordinary shares excluded from the weighted average number of ordinary shares for diluted (loss)/earnings per share calculation	372	–

*Adjusted to reflect the impact of the share split during the 2018 year.

	2018	2017
	$'000s	$'000s
10. Cash and Cash Equivalents		
Cash on hand	123	–
Cash at bank	3,495	62
	3,618	62

	2018	2017
	$'000s	$'000s
11. Trade and Other Receivables		
Current		
Trade receivables	1,373	221
Provision for impairment of receivables	(80)	–
	1,293	221
Vehicles accident receivables	1,470	1,317
Other receivables	1,001	11
	3,764	1,549

Provision for impairment of receivables

Current trade receivables are non-interest bearing and generally on less than 30 day terms. A provision for impairment is recognised when there is objective evidence that an individual receivable is impaired. Financial difficulties of the debtor, payment defaults or the commencement of debt recovery litigation have been considered to determine our impairment provision. These amounts have been included in the other expenses as an expense.

Movement in the provision for impairment of receivables is as follows:		
Balance at 1 July	–	–
Charge for the year	80	–
Balance at 30 June	80	–

As at 30 June, the ageing analysis of trade receivables is as follows:

			Past due but not impaired			
	Total $000's	Neither past due nor impaired $000's	30 – 60 days $000's	61 – 90 days $000's	91 – 180 days $000's	181 – 365 days $000's
2018	1,293	855	358	80	–	–
2017	221	195	26	–	–	–

Current trade receivables are non-interest bearing and generally on less than 30 day terms. A provision for impairment is recognised when there is objective evidence that an individual receivable is impaired. Financial difficulties of the debtor, payment defaults or the commencement of debt recovery litigation have been considered to determine our impairment provision. These amounts have been included in the other expenses as an expense.

	2018	2017
	$'000s	$'000s
12. Inventories		
Spare parts	491	–

During the current year $2.2 (2017: $0.43) million was recognised as an expense for inventories carried at net realisable value. This expense is recognised in cost of sales.

	2018	2017
	$'000s	$'000s
13. Other Current Assets		
Deposits to suppliers	285	125
Prepayments for insurance and registration	2,747	–
	3,032	125

	2018	2017
	$'000s	$'000s
14. Plant and Equipment		
Details of plant and equipment are as follows:		
Motor vehicles at revalued amount	22,928	4,403
Less : accumulated depreciation	(9,095)	(460)
Total motor vehicles	**13,833**	**3,943**
Plant and equipment at cost	1,557	552
Less : accumulated depreciation	(1,006)	(381)
Total plant and equipment at cost	**551**	**171**
Leasehold improvements at cost	251	91
Less : accumulated depreciation	(129)	(16)
Total leasehold improvements	**122**	**75**
Work in progress	75	–
Total plant and equipment	**14,581**	**4,189**

Movements in carrying amounts

Movement in the carrying amounts for each class of plant and equipment between the beginning and the end of the current financial year:

	Motor vehicles $000's	Plant and equipment $000's	Leasehold improvements $000's	Work in progress $000's	Total $000's
Carrying amount at 30 June 2016	**350**	**100**	**77**	**–**	**527**
Additions	666	5	–	–	671
Acquisition of subsidiaries (note 19)	2,709	100	–	–	2,809
Revaluation increase	790	–	–	–	790
Depreciation	(572)	(34)	(2)	–	(608)
Carrying amount at 30 June 2017	**3,943**	**171**	**75**	**–**	**4,189**
Additions	7,811	187	51	75	8,124
Acquisition of subsidiaries (note 19)	5,680	260	–	–	5,940
Disposals/write-off	(5)	–	–	–	(5)
Depreciation	(3,596)	(67)	(4)	–	(3,667)
Carrying amount at 30 June 2018	**13,833**	**551**	**122**	**75**	**14,581**

Motor vehicles of $6.7 million are secured against hire purchase arrangement disclosed in Note 17.

Vehicles have been assessed to have their fair value as the carrying value.

	2018	**2017**
	$'000s	$'000s
15. Intangible Assets		
Computer software and licenses at cost	42	7
Less: accumulated amortisation	(11)	–
	31	7
Goodwill on acquisition of subsidiaries	7,155	4,455
Less: impairment loss	(2,700)	–
	4,486	**4,462**

The current charges for intangible assets are included under depreciation and amortisation expense in the consolidated statement of profit or loss and other comprehensive income.

(a) Movements in carrying amounts

Movement in the carrying amounts for each class of intangible assets between the beginning and the end of the current financial year:

	Goodwill on acquisitions $000's	Computer software and licenses $000's	Total $000's
Carrying value at 30 June 2016	–	7	7
Additions	–	–	–
Acquisition of subsidiaries (note 19)	4,455	–	4,455
Amortisation	–	–	–
Carrying value at 30 June 2017	**4,455**	**7**	**4,462**
Additions	–	18	18
Acquisition of subsidiaries (note 19)	2,700	17	2,717
Impairment and amortisation	(2,700)	(11)	(2,711)
Carrying value at 30 June 2018	**4,455**	**31**	**4,486**

(b) Impairment tests for goodwill

Goodwill acquired through business combinations (see note 19) is allocated to each of the Group's the following cash-generating units (CGUs) that are expected to benefit from the synergies of the business combinations. Each CGU to which goodwill is allocated represents the lowest level at which assets are monitored for internal management purposes. The following is a summary of the goodwill allocation for each operating segment:

	2018	2017
	$'000s	$'000s
Before recognition of impairment loss, the carrying amount of goodwill were allocated to cash generating units as follows:		
NSW	4,455	4,455
Queensland	2,700	–
	7,155	**4,455**

The Group tests whether goodwill should be impaired on an annual basis. The recoverable amount of each CGU is determined based on value-in-use calculations which require the use of assumptions. The calculations use cash flow projections based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using the estimated growth rates stated below.

Key assumptions used for value-in-use calculations:

	NSW	QLD
Average weekly revenue per vehicle (in dollars)	998	990
Terminal growth rate	1%	1%
Pre-tax discount rate	17.50%	17.50%

Assumption	Approach
Average weekly revenue per vehicle	Based on past performance and management's expectations for the future.
Terminal growth rate	The growth rate that is used to extrapolate cash flows beyond the five-year forecasted period based on management's expectation for long-term growth.
Pre-tax discount rate	Reflects specific risks relating to the relevant segments.

Queensland

The goodwill of $2,700,000 associated with the Queensland CGU arose through the acquisition of BWT Group and Professional Taxis in the current year as disclosed in Note 19. After consideration of current year financial outcomes and future expected performance, the goodwill balance has been impaired in full at 30 June 2018. No other write down of the assets of the Queensland CGU is considered necessary. The recoverable amount of the Queensland CGU amounted to $5,850,000 at 30 June 2018.

Impact of possible changes in key assumptions:

NSW

As at 30 June 2018 the estimated recoverable amount of the Group's operations in NSW exceed its carrying values by $1,910,000.

A reduction in the forecast average weekly revenue per vehicle to $981 would result in the recoverable amount of the CGU being equal to the carrying amount. The directors believe that any reasonably possible change in the other key assumptions on which recoverable amount is based would not cause the 'NSW' carrying amount to exceed its recoverable amount.

	2018	2017
	$'000s	$'000s
16. Trade and Other Payables		
Current		
Unsecured liabilities		
Trade payables	2,454	279
Vehicles accidents payable	620	323
Sundry payables and accrued expenses	1,174	1,942
	4,248	**2,544**

	2018	2017
	$'000s	$'000s
17. Borrowings		
Current		
Secured liabilities		
Gross hire purchase liabilities	1,961	919
Less deferred charges	(273)	(32)
	1,688	887
Unsecured liabilities		
Insurance premiums funding facility	1,540	–
Less deferred charges	(150)	–
	1,390	–
	3,078	887
Non-Current		
Secured liabilities		
Gross hire purchase liabilities	3,862	717
Less deferred charges	(196)	(59)
	3,666	658
Total borrowings	**6,744**	**1,545**

The Group's obligations under hire purchase contracts are secured by the lessor's title to certain motor vehicles in Note 14.

Borrowings maturity analysis is disclosed in Note 28 to the consolidated financial statements.

During the year, the Group signed a revolving equipment finance facility with Westpac of $10 million. As at 30 June 2018, unused balance of this facility amounted to $7 million. The facility can be drawn down to finance new and currently owned vehicles. The revolving facility is secured by an interlocking guarantee from P2P group entities supported by fixed charge over each vehicle financed.

	2018	2017
	$'000s	$'000s
18. Provisions		
Current		
Employee benefits	973	89
Non-Current		
Employee benefits	145	14

Provision for long-term employee benefits

A provision has been recognised for employee entitlements relating to long service leave. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based on historical data. The measurement and recognition criteria relating to employee benefits have been included in Note 3.20 to this report.

19. Business Combinations

30 June 2018

On 30 September 2017, P2P Transport acquired the trade and assets of Australia Wide Chauffer Cars Pty Ltd ("AWCC"), comprising 6 vehicles and the trade assets and employees of the business.

On 26 October 2017, P2P Transport acquired all of the issued shares in Black & White Taxi Management Pty Ltd, A.B.C. Bodyworks Pty Ltd, and Taxis QLD Pty Ltd (collectively, BWT Group).

On 12 January 2018, P2P Transport acquired the trade and assets of Animeer Pty Ltd (trading as "Professional Taxis Gold Coast" or "Professional Taxis"), comprising 89 vehicles and the related trade assets and employees of the business.

All of these entities run integrated fleet management services across Australia and the acquisitions have significantly increased the group's market share in this industry. In addition, the group expects to reduce costs through economies of scale.

The goodwill of $2,696,000 arose from the acquisition consists largely of the synergies and economies of scale expected from combining the operations of the whole group.

None of the goodwill recognised is expected to be deductible for income tax purposes. The following table summarises the consideration paid for the group and the amounts of the assets acquired and liabilities assumed recognised at the acquisition date.

Consideration transferred

	BWT Group $'000	AWCC $'000	Professional Taxis $'000	Total $'000
Cash consideration	5,569	280	1,781	7,630
Issue of shares as consideration	650	100	–	750
Fair value of shares to be issued as consideration	–	–	200	200
Contingent consideration	180	–	–	180
Total consideration transferred	**6,399**	**380**	**1,981**	**8,760**

The number of shares issued for BWT group and AWCC as consideration were based on the published share price on the date of completion of the initial public offering of $1.32 per share.

Fair value of shares under issue for Professional Taxis as consideration was based on a share price of $1.32 per share.

Under the contingent consideration arrangement, the Group is required to pay the vendors of BWT Group an additional $1.0m if BWT Group's pre-determined EBITDA target is achieved for the year following the acquisition. The directors have estimated that the fair value of the contingent consideration obligation is $180,000 at the date of acquisition and at 30 June 2018.

Fair value of assets acquired and liabilities assumed at the date of acquisitions was as follows:

	BWT Group $'000	AWCC $'000	Professional Taxis $'000	Total $'000
Assets				
Cash and cash equivalents	378	–	–	378
Trade and other receivables	1,495	30	217	1,742
Inventories	248	–	169	417
Plant and equipment	4,441	366	1,133	5,940
Deferred tax assets	41	6	23	70
Identifiable intangible assets	17	–	–	17
Liabilities				
Trade and other payables	(656)	–	–	(656)
Deferred tax liabilities	(151)	–	–	(151)
Employee entitlements	(133)	(22)	(78)	(233)
Borrowings	(1,464)	–	–	(1,464)
	4,216	**380**	**1,464**	**6,060**

Goodwill arising on acquisition

	BWT Group $'000	AWCC $'000	Professional Taxis $'000	Total $'000
Consideration transferred	6,399	380	1,981	8,760
Less: fair value of identifiable net assets acquired	(4,216)	(380)	(1,464)	(6,060)
Goodwill arising on acquisition	**2,183**	**–**	**517**	**2,700**
Net cash outflow/(inflow) on acquisition of subsidiaries				
Total cash consideration	5,749	280	1,781	7,810
Less: cash and cash equivalent balances acquired	(378)	–	–	(378)
Less: cash consideration payable at year end	(180)	–	(107)	(287)
	5,191	**280**	**1,674**	**7,145**

BWT and Professional taxis are part of QLD segment's results and AWCC is part of VIC's segment's results disclosed in Note 29.

At 31 December 2017 the consideration transferred and the fair values of the identifiable assets and liabilities acquired in respect of the acquisitions of BWT Group and AWCC were provisional. These have now been retrospectively adjusted to reflect new information obtained about the facts and circumstances that existed as of the acquisition date. The impact of the restatement has been to decrease contingent consideration by $820,000 and decrease the fair value of net assets acquired by $444,000 with a corresponding decrease in goodwill recognised of $376,000.

30 June 2017

On 3 March 2017, a corporate reorganisation took place to prepare the Group for listing on the Australian Securities Exchange (ASX). As a result of the reorganisation, Victorian based entities (Unicross Nominees Pty Ltd and Taxilink Pty Ltd) were deemed to be the acquirer from an accounting prospective of the New South Wales based entities (TGT No 1 Pty Ltd, A&S Sidhu Investments Pty Ltd, Taxi Management Solutions Pty Ltd, CabCare Pty Ltd, D. Lee's Taxi Management Pty Ltd and Temptrans Pty Ltd). The acquisition was effected by exchanging equity interests in these entities with shares in P2P Transport limited. The fair value of shares issued was determined by an independent valuer using the discounted cash flow approach as at the date of acquisition.

Consideration transferred

	NSW Group of entities $'000
Cash and cash equivalents	4,777

Fair value of assets acquired and liabilities assumed at the date of acquisition was as follows:

	NSW Group of entities $'000
Assets	
Cash and cash equivalents	33
Trade and other receivables	674
Plant and equipment	2,809
Liabilities	
Trade and other payables	(1,228)
Borrowings	(1,966)
	322
Goodwill arising on acquisition	
Consideration transferred	4,777
Less: fair value of identifiable net assets acquired	(322)
Goodwill arising on acquisition	**4,455**
Net cash outflow/(inflow) on acquisition of subsidiaries	
Total cash consideration	–
Less: cash and cash equivalent balances acquired	33
	(33)

At 31 December 2017 the consideration transferred and the fair values of the identifiable assets and liabilities acquired in respect of the acquisition of the New South Wales based entities were provisional. These have now been retrospectively adjusted to reflect new information obtained about the facts and circumstances that existed as of the acquisition date. The impact of the restatement has been to decrease the value of shares issued as consideration by $847,000 and a decrease in the fair value of net assets acquired by $534,000 with a corresponding decrease in goodwill recognised of $313,000.

	2018		2017	
	Number	$'000	Number	$'000
20. Issued Capital				
Opening balance	5,800,000	4,777	–	–
Initial capital	–	–	5,800,000	4,777
Share split (e)	29,000,000	–	–	–
Shares issued: initial public offer (a)	15,151,515	20,000	–	–
Shares issued on conversion convertible notes (b)	18,515,153	19,796		
Shares issued in exchange services received (c)	9,621,212	10,160	–	–
Shares issued as consideration for business combinations (d)	568,182	750		
Share issue transaction costs, net of tax	–	(1,397)	–	–
Closing balance	**78,656,062**	**54,086**	**5,800,000**	**4,777**

(a) Initial public offer

On 13 December 2017 the Group completed its initial public (''IPO'') offering by the issue of 15,151,515 fully paid ordinary shares at a price of $1.32 per share.

(b) Shares issued on conversion of convertible notes

The Group entered into convertible note agreements to raise cash of $9,840,000 in advance of the initial public offering. On completion of the initial public offering, these notes converted into 18,515,153 ordinary shares. A finance charge of $13,956,000 was recognized on conversion of these notes to equity as detailed in Note 5. Escrow applies to 95% of these shares for a 12 month escrow period and they have been therefore the fair value on recognition was determined at a discount to the issue price on the date of IPO.

(c) Shares issued in exchange for services received

Payment for certain advisory services received by the Group was settled through the issue of 9,621,212 ordinary shares. These shares are subject to a 12 month escrow period and the fair value on recognition was determined at a discount to the issue price on the date of IPO. A corresponding charge of $10,160,000 has been recognized in profit or loss as detailed in Note 5.

(d) Shares issued as consideration for business combinations

There were 568,182 shares issued as consideration for the acquisitions of BWT Group and AWCC. Refer to note 19 for further details.

(e) Share split

During the year opening shares were split so that each share became 6 shares.

Capital Management

The Group manages its capital in order to provide the shareholders with adequate returns and ensure that the Group can fund its operations and continue as a going concern.

The Group's capital structure consists of its equity and net debt (borrowing offset by cash and cash equivalents).

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. The Group monitors capital on the basis of the gearing ratio, being net debt divided by total equity.

The gearing ratios for the year ended 30 June are as follows:

		2018	2017
	Note	$'000s	$'000s
Total borrowings	17	6,744	1,545
Less cash and cash equivalents	10	(3,618)	(62)
Net debt		3,126	1,483
Total equity		**18,285**	**6,112**
Total Net Debt and Equity		21,411	7,595
Gearing ratio (Net Debt/Net Debt and Equity)		15%	20%

The Group has to comply with an equity ratio covenant as set out in its bank facility agreement. The Group has complied with its banking covenants during the year.

		2018	2017
	Note	$'000s	$'000s
21. Reserves			
21.1 Asset Revaluation Reserve			
At beginning of year		790	–
Fair value revaluation of motor vehicles	14	–	790
		790	790
21.2 Other Reserves			
(a) Share-based payments reserve			
At beginning of year		–	–
Issued during the year	30	526	–
		526	–
(b) Other reserves			
At beginning of year		–	–
Committed during the year	19	200	–
		200	–
Total reserves		**1,516**	**790**

Asset revaluation reserve

The asset revaluation reserve arises on the revaluation of motor vehicles.

Other reserves

Equity instruments for shares to be issued as consideration of business combination (refer to note 19 for more details). There are 151,515 shares.

	2018	2017
	$'000s	$'000s
22. Operating Lease Commitments		
Non-cancellable operating leases contracted for but not capitalised in the consolidated financial statements:		
Payable		
– not later than 1 year	1,162	446
– later than 1 year but not later than 5 years	3,480	624
– later than 5 years	1,664	1,035
	6,306	**2,105**

Operating leases have been taken out for the rental of premises. Lease payments are increased on an annual basis to reflect market rentals.

	2018	2017
	$'000s	$'000s
23. Cash Flow Information		
Reconciliation of cash flow from operations with (loss)/profit after income tax:		
(Loss)/profit after tax	(37,862)	50
Non-cash flows:		
Initial public offer expenses	10,160	–
Finance costs	13,956	–
Depreciation and amortization	3,678	608
Share base payment expense	526	–
Impairment of goodwill	2,700	–
Impairment loss on trade receivables	80	–
Profit of disposal of plant and equipment	(29)	–
	(6,791)	658
Movement in working capital:		
(Increase)/decrease in assets:		
Trade and other receivables	(553)	131
Inventory	(74)	–
Other current assets	(2,907)	(125)
Deferred tax assets	(286)	(208)
Increase/(decrease) in liabilities:		
Trade and other payables	764	644
Current tax liabilities	43	64
Provisions	782	48
Deferred tax liabilities	255	293
Net cash (used in)/provided by operating activities	**(8,767)**	**1,505**

24. Contingent Liabilities and Contingent Assets

There were no contingent assets or liabilities as at the date of this report.

	2018	2017
	$'000s	$'000s

25. Related Party Transactions

The Group's related parties include its associates and subsidiaries, key management personnel, shareholders and employees.

(a) Transactions with key management personnel

Disclosures relating to key management personnel are set out below and the remuneration report in the Directors' Report.

Key management personnel (Directors and Executive Officers) remuneration included within employee expenses for the year is shown below:

	2018 $'000s	2017 $'000s
Short-term employee benefits	1,281	224
Post-employee benefits	105	21
Long-term employee benefits	11	–
Share-based payments	358	–
	1,755	245
Motor vehicles purchased during the year	3,430	–

(b) Amounts payable/receivable to/from related parties

	2018 $'000s	2017 $'000s
Receivable from Ride 247 Pty Ltd*	200	–
Payable to Ocimad Pty Ltd**	288	–

(c) Lease with key management personnel

	2018 $'000s	2017 $'000s
Rent expense***	170	108

*Represents amount paid in favour of potential investment in Ride 247 Pty Ltd, an entity controlled by key management person Harry Katsiabanis. Balance receivable from Ride 247 Pty Ltd is included as part of other receivables in Note 11.

**In order to meet peak demands by its customers, the Group has some of its vehicle purchasing services carried out by Ocimad Pty Ltd, an entity controlled by key management person Bruno Damico. Balance payable to Ocimad Pty Ltd is included as part of trade payables in Note 16.

***The Corporation also has a site in Melbourne that includes its head office. This site is rented from a director controlled entity being The Damico Family Trust and The Katsiabanis Family Trust. A lease agreement valued at market rates is in place and payment have been detailed above.

	Country of Incorporation	Percentage Owned (%) 2018	Percentage Owned (%) 2017
26. Controlled Entities			
Taxi Management Solutions Pty Ltd	Australia	100%	100%
TGT No 1 Pty Ltd	Australia	100%	100%
CabCare Pty Ltd	Australia	100%	100%
A&S Sidhu Investments Pty Ltd	Australia	100%	100%
Taxi-Link Pty Ltd	Australia	100%	100%
Unicross Nominees Pty Ltd	Australia	100%	100%
D. Lee's Taxi Management Pty Ltd	Australia	100%	100%
Temptrans Pty Ltd	Australia	100%	100%
BWTM Pty Ltd	Australia	100%	–
Taxis QLD Pty Ltd	Australia	100%	–
ABC Bodyworks Pty Ltd	Australia	100%	–

27. Fair Value of Financial Instruments

This note provides information about how the Group determines fair values of various financial assets and financial liabilities.

27.1 Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis

Some of the Group's financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial liabilities are determined (in particular, the valuation technique(s) and inputs used).

Financial liabilities	Fair value as at 30/06/18 $'000	Fair value as at 30/06/17 $'000	Fair value hierarchy	Valuation technique and key input	Significant unobservable input
Contingent consideration in a business combination	180	–	Level 3	Discounted cash flow	Probability-adjusted EBITDA

Contingent consideration balance is included as part of sundry payables and accrued expenses (Note 16).

27.2 Fair value of financial assets and financial liabilities that are not measured at fair value

The directors consider that the carrying amounts of financial assets and financial liabilities recognised in the consolidated financial statements approximate their fair values.

28. Financial Risk Management

The Group's activities expose it to a variety of financial risks including market risk (including foreign currency risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group 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 and foreign exchange and ageing analysis for credit risk.

No changes were made in the risk management objectives and policies during the years ended 30 June 2018 and 2017. The Directors of the Group review and agree policies for managing each of these risks which are summarised below:

28.1 Credit risk

Credit risk is the risk that one party to a contractual obligation will fail to discharge an obligation and cause the other party to incur a financial loss. Financial assets subject to credit risk consists principally of trade accounts receivables, amounts due from related parties and cash and cash equivalents.

The Group has policies and procedures in place to limit the amount of credit exposure to any counter party and to monitor the collection of receivables on an ongoing basis. The Group limits its credit risk with regard bank balances by only dealing with reputable banks.

The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, as disclosed in the statement of financial position and notes to the financial statements. The Group does not have any material credit risk exposure to any single debtor or group of debtors and does not hold any collateral.

28.2 Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in raising funds to meet commitments associated with its obligations as they fall due. To manage this risk, the Group maintains adequate cash reserves and available borrowing facilities by continuously maintaining actual and forecast cash flows and matching maturity profiles of financial assets and liabilities.

The Group's terms of sales require amounts to be paid within 30 to 60 days of the date of sale. Trade payables are normally settled within 60 days of the date of purchase. The maturity profile is monitored by management to ensure adequate liquidity is maintained.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

	1 year $000's	2-5 years $000's	Over 5 years $000's	Total $000's
30 June 2018				
Non-interest bearing				
Trade and other payables	4,248	–	–	4,248
Interest-bearing				
Borrowings	3,501	3,862	–	7,363
	7,749	**3,862**	**–**	**11,611**
30 June 2017				
Non-interest bearing				
Trade and other payables	2,544	–	–	2,544
Interest-bearing				
Borrowings	919	717	–	1,636
	3,463	**717**	**–**	**4,180**

As at 30 June 2018, unused balance of the revolving equipment finance facility with Westpac amounted to $7,032,783 (Note 17).

28.3 Market risk

Market risk is the risk that the value of an asset will fluctuate as a result of changes in market variables such as interest rates and foreign exchange rates.

28.3.1 Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future profitability or the fair values of financial instruments.

The Group is not exposed to significant interest rate risk as majority of its borrowing arrangements are at fixed rate, which minimises any short-term downside impact of interest rate increases but limits any benefit from interest rate reductions.

28.3.2 Foreign exchange risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Since the functional currency of the Group is Australian dollars, the foreign currency risk arises on its receivables and payables denominated in other foreign currency.

The Group is not exposed to significant foreign exchange risk as all of its trading activities and balances held at year end are denominated in Australian dollars.

29. Segment Results

The accounting policies of the reportable segments are the same as the Group's accounting policies described in note 3.7. Segment profit represents the profit before tax earned by each segment without allocation of central administration costs and directors' salaries, share of profit of associates, investment income, other gains and losses, as well as finance costs. This is the measure reported to the Board of Directors for the purposes of resource allocation and assessment of segment performance.

Year ended 30 June 2018

	Victoria $'000	NSW $'000	QLD $'000	Total Segments $'000	Corporate & Other $'000	Adjusts. and Elims. $'000	Total $'000
Revenue							
External customers	5,533	15,331	11,925	32,789	89	(167)	32,711
Results							
Operating loss before initial public offer expenses, impairment of goodwill, finance costs and depreciation and amortisation	(360)	(1,281)	(511)	(2,152)	(2,987)	–	(5,139)
Initial public offer expenses	–	–	–	–	(11,801)	–	(11,801)
Impairment loss on goodwill	–	–	(2,700)	(2,700)	–	–	(2,700)
Finance costs	(40)	(399)	(76)	(515)	(13,961)	–	(14,476)
Depreciation and amortisation	(680)	(1,810)	(1,165)	(3,655)	(23)	–	(3,678)
Income tax expense	–	–	–	–	(68)	–	(68)
Total segment results	**(1,080)**	**(3,490)**	**(4,452)**	**(6,322)**	**(28,840)**	**–**	**(37,862)**

Segment revenue reported above represents revenue generated from external customers. Inter-segment sales for the current year amounted to $167,000 were eliminated (2017: nil).

Year ended 30 June 2017

	Victoria $'000	NSW $'000	Total Segments $'000	Corporate & Other $'000	Adjusts. and Elims. $'000	Total $'000
Revenue						
External customers	5,891	3,025	8,916	–	–	8,916
Result						
Operating loss before initial public offer expenses, impairment loss on goodwill, finance costs and depreciation and amortisation	120	664	784	–	–	784
Finance costs	(46)	(67)	(113)			(113)
Depreciation and amortisation	(328)	(280)	(608)	–	–	(608)
Income tax (benefit)/expense	73	(86)	(13)	–	–	(13)
Total segment results	**(181)**	**231**	**50**	**–**	**–**	**50**

Segment Information
Year ended 30 June 2018

	Victoria $'000	NSW $'000	QLD $'000	Total Segments $'000	Corporate & Other $'000	Adjusts. and Elims. $'000	Total $'000
Total Assets	3,874	19,442	7,851	31,167	21,224	(21,112)	31,279
Total Liabilities	3,481	18,160	4,069	25,710	2,407	(15,123)	12,994
Capital Expenditure	403	6,399	1,049	7,851	275	–	8,126

Segment Information
Year ended 30 June 2017

	Victoria $'000	NSW $'000	QLD $'000	Total Segments $'000	Corporate & Other $'000	Adjusts. and Elims. $'000	Total $'000
Total Assets	2,409	8,330	–	10,739	–	–	10,739
Total Liabilities	1,306	3,321	–	4,627	–	–	4,627
Capital Expenditure	671	–	–	671	–	–	671

30. Share-based Payments

30.1 Share options granted to third parties

221,115 share options were granted to third parties during the year for services received in relation to the IPO. These options entitle the holder to one ordinary share in the Company upon the payment of $1.584 per option. The options can be exercised at any time subsequent to the first anniversary of the listing date.

The fair value of the options granted were determined using a Black Scholes option pricing model with the following inputs:

Grant date share price	$1.32
Exercise price	$1.58
Option life	5 years
Volatility	73.70%
Dividend yield	0.00%
Risk free interest rate	2.20%

An amount of $168,000 (2017: $Nil) was recognised in the consolidated statement of profit or loss and other comprehensive income in relation to these share options for the year ended 30 June 2018.

30.2 Employee share rights

The following share rights were granted to key management personnel during the year:

Grant value	Grant Date	Vesting Date
$200,000	13 December 2017	13 December 2017
$200,000	13 December 2017	13 December 2018
$200,000	13 December 2017	13 December 2019

The rights entitle the holder to a variable number of shares equivalent to the grant value on condition that the recipient is employed by the company at the date of vesting. The fair value of the rights was determined with reference to the grant value discounted at the risk free interest rate over the relevant vesting period.

An amount of $358,000 (2017: $Nil) was recognised in the consolidated statement of profit or loss and other comprehensive income in relation to these share rights for the year ended 30 June 2018.

	2018	2017
	$'000s	$'000s

31. Parent Entity Information

The accounting policies of the parent entity, which have been applied in determining the financial information shown below, are the same as those applied in the consolidated financial statements except as set out below.

See note 3 for a summary of the significant accounting policies relating to the Group.

Financial Position

	2018	2017
Assets		
Current Assets	14,056	–
Non-Current Assets	11,623	4,777
Total Assets	25,679	4,777
Liabilities		
Current Liabilities	1,748	–
Non-Current Liabilities	659	–
Total-Liabilities	2,407	–
Equity		
Issued Capital	54,086	4,777
Accumulated losses	(31,540)	–
Reserves	726	–
Total Equity	23,272	4,777
Financial Performance		
Loss for the year	(31,540)	–
Other comprehensive income	–	–
Total comprehensive loss	**(31,540)**	**–**

32. Events After Balance Sheet Date

BWC acquisition

On 3 August 2018 P2P completed the acquisition of Black & White Holdings Limited ("BWC"). The acquisition will deliver in-house network capabilities to the group.

The purchase consideration comprises cash of $4.27 million (subject to completion adjustments), 4,364,000 fully paid ordinary shares amounting to $3.78 million at the share price on date of acquisition of $0.87 per share and contingent consideration of up to $12 million. The contingent consideration arrangement relates to two earn-out payments of up a maximum of $6 million each payable to the vendor based upon EBITDA achieved for BWC for FY19 and FY20. The group has not yet estimated the fair value of the contingent consideration payable at the date of the acquisition. The cash component of the acquisition was funded by way of a draw down of available bank facilities.

At the time the consolidated financial statements were authorised for issue, the group had not yet completed the accounting for the acquisition of BWC. In particular, sufficient information to provisionally account for the assets and liabilities acquired has not yet been obtained.

Greg Webb, Managing Director of BWC, was appointed as a director of P2P on the date of acquisition.

Fare Media acquisition

On 1 August 2018 P2P acquired the trade and assets of Fare Media, a leading digital and static passenger transport advertising company in order to expand the Adflow taxi advertising business. Total consideration of $100,000 is to be settled in shares.

There has not been any other matter or circumstance in the interval between the end of the year and the date of this report that has materially affected or may materially affect the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial periods.

DIRECTORS' DECLARATION

The directors declare that:

(a) in the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable;

(b) in the directors' opinion, the attached consolidated financial statements are in compliance with International Financial Reporting Standards, as stated in note 3.1 to the consolidated financial statements;

(c) in the directors' opinion, the attached consolidated financial statements and notes thereto are in accordance with the *Corporations Act 2001*, including compliance with accounting standards and giving a true and fair view of the consolidated financial position and performance of the Company; and

(d) the directors have been given the declarations required by s.295A of the *Corporations Act 2001*.

Signed in accordance with a resolution of the directors made pursuant to s.295(5) of the *Corporations Act 2001*.

On behalf of the Directors

Matthew Reynolds
Chairman
Dated this day 27 September 2018

Deloitte Touche Tohmatsu
ABN 74 490 121 060

550 Bourke Street
Melbourne VIC 3000
GPO Box 78
Melbourne VIC 3001 Australia

DX: 111
Tel: +61 (0) 3 9671 7000
Fax: +61 (0) 3 9761 7001
www.deloitte.com.au

Independent Auditor's Report to the Members of P2P Transport Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of P2P Transport Limited (the "Company") and its subsidiaries (the "Group") which comprises the consolidated statement of financial position as at 30 June 2018, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the Group's financial position as at 30 June 2018 and of its financial performance for the year then ended; and
(ii) 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 confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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 judgement, were of most significance in our audit of the financial report for 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, and we do not provide a separate opinion on these matters.

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Key Audit Matter	How the scope of our audit responded to the Key Audit Matter
Accounting for business combinations Refer Note 19 The Group completed three business combinations during the year ended 30 June 2018. The total purchase consideration transferred was $8.8m and goodwill arising on acquisitions amounted to $2.7m. In addition, a group re-organisation took place in March 2017 which was accounted for as a business combination. The accounting for the re-organisation was finalised during the current year. The total purchase consideration transferred was $4.8m and goodwill arising on acquisition amounted to $4.5m. Accounting for the acquisitions required management judgement, particularly in relation to the identification and valuation of the assets acquired and the liabilities assumed at acquisition date.	Our procedures included, but were not limited to: • Evaluating management's assessment of the transactions in accordance with the relevant accounting standards. • Evaluating completeness of the assets and liabilities identified in the acquisition accounting against the sale and purchase agreement and our understanding of the businesses acquired, including the estimate of contingent consideration where applicable. • Assessing management's purchase price allocation in relation to the acquisition, including relevant information that management obtained from valuation experts in relation to the identification and valuation of identifiable assets acquired and liabilities assumed are in accordance with relevant accounting standards. • In conjunction with our valuation specialists challenging the work performed by management: – Assessing the competence and objectivity of management's expert; – Assessing the appropriateness of the models utilised in the valuation of identifiable assets acquired; – Validating the assumptions used in the model against historical performance and industry benchmarks; and • Evaluating the useful lives associated with the acquired tangible assets including assessment of management's estimation and whether it is consistent with Group policy and/or the relevant accounting standards. We also assessed the appropriateness of the disclosures in Note 19 to the financial statements.

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Key Audit Matter	How the scope of our audit responded to the Key Audit Matter
Carrying value of goodwill At 30 June 2018, goodwill of $4.5m has been recognised in the consolidated statement of financial position after an impairment charge of $2.7m as disclosed in Note 15. The goodwill has been allocated to Cash Generating Units ("CGUs") or groups of CGUs at which level the goodwill is monitored by management as follows: • New South Wales; and • Queensland. The group is required to annually assess the carrying value of goodwill. This is performed through value-in-use discounted cash flow models. The value in use calculations include key assumptions and judgements in the calculation of the recoverable amounts, namely forecast future cash flows, the long term growth rate and discount rate assumptions.	Our procedures included, but were not limited to: • Evaluating the appropriateness of management's identification of the Group's CGUs to which the goodwill is allocated; • Assessing the reasonableness of cash flow projections and assessing growth rates against external economic and financial data and the Group's own historical performance; • Engaging our valuation specialists to assess the key assumptions and methodology used by management in the impairment model, in particular the discount rate and the terminal growth rate; • Evaluating the value in use estimates determined by the Group against its market capitalisation; and • Testing the mathematical accuracy of the impairment model. We have also assessed the appropriateness of the disclosures in Note 15 to the financial statements.
Accounting for IPO related costs Refer Notes 5 and 20 As a consequence of the Initial Public Offering ("IPO") of the Company's shares, two tranches of debt were converted into ordinary share capital of the Company. The difference between the fair value of the shares issued to settle the debt obligations and the cash received was recognised as a finance charge of $14.0m. Separately, shared based payments of $10.2m were recognised in relation to advisory services rendered as part of the IPO process. The cost of these services were measured at the fair value of the shares issued. Judgement was required in determining the fair value of the shares issued on conversion of the convertible notes and for the shares issued as payment for advisory services as the shares were all subject to a 12 month escrow period from the date of the IPO.	Our procedures included, but were not limited to: • Reviewing the terms of convertible note, share based payment and escrow agreements; • Engaging our valuation specialists to assess the discount applied to the fair value of the shares subject to escrow; • Agreeing the cash received for the convertible notes, shares issued and shares subject to escrow to supporting documentation; and • Recalculating the fair value of the shares issued to settle the convertible note and share base payment obligations. We have also assessed the appropriateness of the disclosures in Notes 5 and 20 to the financial statements.

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Other Information

The directors are responsible for the other information. The other information comprises the Directors' Report and Shareholder Information, which we obtained prior to the date of this auditor's report, and also includes the following information which will be included in the Group's annual report (but does not include the financial report and our auditor's report thereon): Chairman's Message to Shareholders, Company Profile, Corporate Governance Statement, and Corporate Directory, which is expected to be made available to us after that date.

Our opinion on the financial report does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information identified above 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 on the other information that we obtained prior to the date of this auditor's report, 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.

When we read the Chairman's Message to Shareholders, Company Profile, Corporate Governance Statement, Shareholder Information, and Corporate Directory, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors and use our professional judgement to determine the appropriate action.

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 ability of the Group to continue as a going concern, disclosing, as applicable, matters related 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 has 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 judgement 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's 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 with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period 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 Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 25 to 29 of the Directors' Report for the year ended 30 June 2018.

In our opinion, the Remuneration Report of P2P Transport Limited, for the year ended 30 June 2018, complies with section 300A of the *Corporations Act 2001*.

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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.

DELOITTE TOUCHE TOHMATSU

Gerard Belleville
Partner
Chartered Accountants
Melbourne, 27 September 2018

SHAREHOLDER INFORMATION

Stock Exchange Listing

P2P Transport Limited's shares are listed on the Australian Securities Exchange (ASX) under the code P2P.

The shareholder information set out below was current at 15 August 2018.

There were 718 holders of ordinary shares in the Company. These shareholders held 83,220,062 ordinary shares. All issued ordinary shares carry one vote per share.

Distribution of Ordinary Shares

Holdings Ranges	Holders	Total Units	% of Issued Capital
1-1,000	53	31,566	0.04%
1,001-5,000	107	320,646	0.39%
5,001-10,000	119	963,879	1.16%
10,001-100,000	356	11,173,130	13.43%
100,001 and over	83	70,730,841	84.99%
Totals	**718**	**83,220,062**	**100**

Substantial Shareholder as at 15 August 2018:

Shareholder	Number of shares held	% of Issued Capital
IRONBARK FINANCIAL SERVICES PTY LIMITED	5,965,909	7.20%
D'AMICO ENTERPRISES PTY LTD	5,434,742	6.50%
HE & N INVESTMENTS PTY LTD	5,434,742	6.50%

Restricted Securities as at 15 August 2018:

Class	Number of Shares	% of Issued Capital
12 Month Escrow – fully paid ordinary shares	27,210,598	32.70%
24 Month Escrow – fully paid ordinary shares	27,840,000	33.50%

SHAREHOLDER INFORMATION

Twenty Largest Shareholders at 15 August 2018:

		Number of fully paid Ordinary Shares	% of Issued Capital
1	IRONBARK FINANCIAL SERVICES PTY LIMITED	5,965,909	7.17%
2	HE & N INVESTMENTS PTY LTD – THE KATSIABANIS	5,434,742	6.53%
3	D'AMICO ENTERPRISES PTY LTD – THE D'AMICO FAMILY	5,434,742	6.53%
4	GARY DEIGAN	4,176,000	5.02%
5	THOMAS VARGA	4,074,960	4.90%
6	PAUL BARTON	3,340,800	4.01%
7	BLOWING DUST PTY LTD – C&A MCKENZIE SUPER FUND	2,784,090	3.35%
8	MR THOMAS JOSEPH VARGA – TTTV FAMILY SUPER FUND	2,328,240	2.80%
9	P2P INFRASTRUCTURE PTY LTD	1,956,075	2.35%
10	UBS NOMINEES PTY LTD	1,903,030	2.29%
11	MERRILL LYNCH (AUSTRALIA) NOMINEES PTY LIMITED	1,735,136	2.08%
12	RAYAN INVESTMENTS PTY LTD – RAYAN INVESTMENTS	1,702,106	2.05%
13	J P MORGAN NOMINEES AUSTRALIA LIMITED	1,618,838	1.95%
14	HGT INVESTMENTS PTY LTD	1,600,000	1.92%
15	MERRILL LYNCH (AUSTRALIA) NOMINEES PTY LTD – REGAL EMERGING COMP FND2	1,439,394	1.73%
16	BT PORTFOLIO SERVICES LIMITED – WARRELL HOLDINGS S/F	1,400,000	1.68%
17	AUSTRALIAN PROPERTY RESERVE PTY LTD – AUSTRALIAN PROPERTY UNIT	1,212,121	1.46%
18	CITICORP NOMINEES PTY LIMITED	1,179,379	1.42%
19	BONBEAU PTY LTD – BONBEAU DOG INVESTMENTS	928,030	1.12%
20	BRISPOT NOMINEES PTY LTD – HOUSE HEAD NOMINEE	860,000	1.03%

Voting Rights

In accordance with the Constitution each member present at a meeting whether in person, or by proxy, or by power of attorney, or in a duly authorised representative in the case of a corporate member, shall have one vote on a show of hands, and one vote for each fully paid ordinary share, on a poll.

On-Market Buy-Backs

There is no current on-market buy-back in relation to the Company's securities.

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