Frontier Digital Ventures Limited

ABN 25 609 183 959

Appendix 4E
Preliminary Financial Report

"Results for announcement to the Market."

Information for the year ended 31 December 2018 given to ASX under listing rule 4.3A

Key Frontier Digital Ventures Limited information

Year ended 31 December	2018 $000	2017 $000	Change
Revenues from ordinary operations	12,774	9,193	39%
Profit/(Loss) from ordinary activities after tax attributable to members	(6,348)	(13,895)	(54%)
Profit/(Loss) after tax attributable to members	(6,348)	(13,895)	(54%)
	Cents	Cents	
Profit/(Loss) per Share (basic)	(2.71)	(6.35)	(57%)
Profit/(Loss) per Share (diluted)	(2.71)	(6.35)	(57%)
NTA per Share	0.11	0.09	22%

Dividends

Frontier Digital Ventures Limited does not propose to pay a dividend for this reporting period (2017: nil).

Basis of this report

This report includes the attached audited financial statements of Frontier Digital Ventures Limited and controlled entities for the year ended 31 December 2018. Together these documents contain all information required by Appendix 4E of the Australian Securities Exchange Listing Rules. It should be read in conjunction with Frontier's Annual Report when released and lodged with the Australian Securities Exchange under listing rule 4.3A.

2019 Annual General Meeting

Frontier Digital Ventures Limited advises that its Annual General Meeting will be held on or about Friday 24 May 2019. The time and other details relating to the meeting will be advised in the Notice of Meeting to be sent to all shareholders and released to ASX immediately after despatch.

In accordance with the ASX Listing Rules, valid nominations for the position of director are required to be lodged at the registered office of the Company by 5:00pm (AEST) 1 April 2019.

For and on behalf of the Board

Anthony Klok
Chairman
25 February 2019

FRONTIER DIGITAL VENTURES LIMITED
ABN 25 609 183 959

AUDITED FINANCIAL STATEMENTS
For the financial year ended 31 December 2018

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DIRECTORS' REPORT

The Directors of Frontier Digital Ventures Limited ("the Company" or "Frontier") submit the annual financial report of the Company and its subsidiaries ("the Group") for the financial year ended 31 December 2018. In order to comply with the provisions of the Corporations Act 2001, the Directors' report is as follows:

Information about the Directors and senior management

The names and particulars of the Directors of the Company during, or since the end of, the financial year are as follows:

Anthony Klok	Independent Director, non-executive Chairman
Shaun Di Gregorio	Non-independent executive Director and Chief Executive Officer
Mark Licciardo	Independent, non-executive Director and Joint Company Secretary
Belinda Cleminson	Joint Company Secretary

Details of Directors of the Company, the Company Secretary, the Chief Executive Officer and key management personnel in office at the date of this report, and each of their qualifications, experience and special responsibilities are below.

Name	Experience
Anthony Klok (Independent Director, non-executive Chairman)	Mr Klok has more than 35 years' advisory and operational experience in diverse areas including legal, corporate advisory, media and technology and internet businesses. Mr Klok is an experienced lawyer and senior executive with considerable experience in sourcing, negotiating and investing in online and technology companies. Mr Klok has significant Board experience within the online classifieds sector as a former non- executive Director of both Carsales and Seek. Mr Klok's current and previous board positions include Friendsurance International, Friendsurance Australia, Genero (alternate), Betfair Australia, Zoom2U, Temando, Service Seeking, Open Agent, Fox Sports, Carsales, Seek, NineMSN, Ticketek, Sydney SuperDome, Wizard and TMS. Mr Klok holds a double degree of Bachelor of Commerce and Laws from the University of Tasmania.
Shaun Di Gregorio (Non-independent executive Director and Chief Executive Officer)	During Mr Di Gregorio's four year tenure as CEO of ASX listed company, iProperty Group Limited, he led the transformation of iProperty Group from a small online business with a market capitalisation of approximately $15 million into one of the largest listed Internet companies in ASEAN with a market capitalisation of approximately $524 million. He was a non-executive director of iCar Asia (ASX:ICQ) until June of 2016 and is an advisor to online classifieds businesses around the world.

Directors' Report (cont'd)

Information about the Directors and senior management (cont'd)

Name	Experience
	Mr Di Gregorio spent eight years as General Manager at Australia-based REA Group, a global leader and publisher of as many as 20 real estate websites in 12 countries. As General Manager of the core Australian business and global leader at 'realestate.com.au', Mr Di Gregorio grew the business alongside a team of eight people with revenue of AU$5million into a company with more than 300 staff and revenues exceeding AU$150 million. Mr Di Gregorio holds a Master of Business Administration from the Australian Graduate School of Management, part of the University of New South Wales. Mr Di Gregorio was a director of iCar Asia Limited, an ASX listed entity.
Mark Licciardo (Independent, non-executive Director and Company Secretary)	Mr Licciardo is the founder and Managing Director of Mertons Corporate Services Pty Ltd. As a former company secretary of ASX 50 companies, Transurban Group and Australian Foundation Investment Company Limited, his expertise includes working with boards of directors in the areas of corporate governance, business management, administration, consulting and company secretarial matters. He is also the former Chairman of the Governance Institute of Australia Victoria division, Academy of Design (LCI Melbourne) and Melbourne Fringe Festival and a current non-executive director of a number of public and private companies. Mr Licciardo holds a Bachelor of Business Degree (Accounting) from Victoria University and a Graduate Diploma in Company Secretarial Practice, is a Fellow of the Australian Institute of Company Directors, the Institute of Chartered Secretaries and Administrators and the Governance Institute of Australia Mr Licciardo is currently a director of Ensogo Limited and Mobilicom Limited, ASX listed entities. He was recently a director of iCar Asia Limited.
Chan Shiao Mae (Chief Financial Officer)	Miss Chan was previously the CFO of iProperty Group, holding office through the period of acquisition by REA Group Ltd in 2016. Before joining iProperty Group, she served as the Finance Director of Redgrave Partners Group, a multi-tiered recruitment group based in London with operations in Hong Kong and Singapore which had, during her tenure, grown from one brand in one city in 2008 to three brands in three countries by 2012. Prior to that she was Group Financial Accountant for AIM-listed Imprint PLC. Miss Chan holds a Bachelor of Laws from the University of Exeter and is a Fellow of the Institute of Chartered Accountants in England and Wales.

Directors' Report (cont'd)

Information about the Directors and senior management (cont'd)

Name	Experience
Shen Loh Lim (Director of Growth & Operations)	Mr Loh Lim has held leadership roles in online classifieds, online marketing and advertising, technology, and telecommunications since 1999. Prior to joining Frontier as Director of Growth & Operations, he spent 7 and a half years at iProperty Group in multiple roles across the Asia Pacific region, the latest of which was as Country General Manager of Malaysia. Before that, he began his career as a consultant in the technology sector before joining one of Malaysia's Top 5 digital agencies at the time, XM Malaysia. Mr Loh Lim holds a Bachelor of Science in Business Administration – Marketing & Management from the University of Oregon.
Marco Rampazzo (Director of Corporate Development)	Mr Rampazzo leads the investment activities, structuring and deal valuation, market research and due diligence work streams, and engages with the Operating Companies throughout the entire investment process. Prior to joining Frontier he was involved in entrepreneurial activities within the internet industry, served as a management consultant in A.T. Kearney UK and was part of the founding team of SF Trust Ltd, a new born London based structured finance provider. Mr Rampazzo holds a Bachelor and a Master degree in Engineering and Management from the University of Padua.

Directors' shareholdings

The following table sets out each director's shareholding as at 31 December 2018, their relevant interest in shares and options in the Company as at that date.

	Fully paid ordinary shares	
Director	Number	%
Anthony Klok	100,000	0.04%
Shaun Di Gregorio	37,209,490	15.24%
Mark Licciardo	87,051	0.04%

Remuneration of Directors and senior management

Information about the remuneration of Directors and senior management is set out in the Remuneration Report on page 10 and in Note 32 Key management personnel compensation.

Share options and rights granted to Directors and senior management

There were no new share rights granted to Directors or senior management during the year (2017: Nil) nor since the end of the financial year.

As at the date of this report, there were 300,000 unissued ordinary shares rights (1,020,000 at 31 December 2018).

Further details on the Share Rights Plan and outstanding share rights are disclosed in the Remuneration Report.

Directors' Report (cont'd)

Principal activities

The principal activity of the Group during the year was investing in and operating developing online classifieds businesses ("Operating Companies") in underdeveloped, emerging countries or regions ("Target Markets") which are markets at a very early stage of online development, but with anticipated strong growth prospects.

Over the course of the year, the Group has narrowed its geographical focus of Target Markets from South Asia, East Africa, West Africa, Central America and Middle East/North Africa (MENA), to prioritising developing Asia (excluding China and India), Central and South America, and Africa/MENA.

Changes in State of Affairs

The issued share capital of the Company increased by $15,110,468 from the issue of 23,462,395 shares during the year.

As a result of the accelerated entitlement offer which closed in June 2018, the contributed equity of the Company increased by $14,402,484 from the issue of 22,157,668 ordinary shares. The remaining shares of 1,304,727 with a value of $707,984 were issued to Directors and employees as share based payments.

Review of Operations

A detailed review of operations and results of those operations will be set out in the Annual Report. A summary of the Group's performance is below.

Due to the nature of Frontier's portfolio, there is a difference between the "economic interest" in investments and the financial performance reported in the consolidated financial statements. At the year end, the portfolio consisted of nine investments accounted for as Controlled Entities on a Consolidated basis and five investments reported as Associates under the equity method in accordance with AASB 128.

On a Consolidated basis, the revenues from continuing operations of Controlled Entities in the Group grew by $3,578,774 (39%) from $9,186,745 in FY2017 to $12,765,519 in FY2018.

	2018 $	2017 $
Revenue from continuing operations of Controlled Entities	***12,765,519***	***9,186,745***
Corporate revenues	*8,403*	*6,166*
Revenue from continuing operations	*12,773,922*	*9,192,911*
Adjusted EBITDA loss from continuing operations of Controlled Entities	(3,229,439)	(2,330,024)
Corporate and consolidated results	(2,702,118)	(2,756,053)
Adjusted EBITDA loss from continuing operations (note 4)	***(5,931,557)***	***(5,086,077)***
Share of Associate's net loss before foreign exchange losses	(2,988,048)	(3,189,819)
Consideration received for cancellation of call option	1,891,568	-
Gains from disposal of Controlled Entity and deemed disposal of Associate shareholding	704,986	175,484
Impairment of goodwill, intangible assets, loans to and investment in Associate	(1,827,623)	(2,340,278)
Equity settled share-based payments	(384,523)	(682,368)
Costs incurred in relation to initial public offering not capitalised	-	(64,637)
Depreciation and amortisation	(3,059,779)	(1,733,264)
Loss from continuing operations before unrealised foreign exchange gains/(losses)	***(11,594,976)***	***(12,920,959)***
Unrealised currency exchange gains/(losses)	3,552,633	(3,166,163)
Share of Associate's unrealised foreign exchange losses	(1,742,117)	(64,361)
Net loss from discontinued operations	(729,542)	(1,844,760)
Loss before interest and tax (EBIT)	***(10,514,002)***	***(17,996,243)***
Net interest received	293,246	201,370
Income tax expense	(35,739)	(30,443)
Net loss after tax	**(10,256,495)**	**(17,825,316)**

Adjusted EBITDA excludes the effects of significant items of income and expenditure which may have an impact on the quality of earnings such as restructuring costs, legal expenses, and other isolated, non-recurring events. It also excludes the effects of equity-settled share-based payments and unrealised gains or losses on financial instruments

Directors' Report (cont'd)

Review of Operations (cont'd)

During the year, the Group received consideration of $1,891,568 to cancel its right to exercise a call option in the ultimate parent company of **Zameen**, an associate company.

The carrying value of the Group's investment in **Kupatana**, an associate company, was fully impaired to nil following weak economic outlook in Tanzania, the country the business predominantly operates in, resulting in slow growth in the underlying activities of the business which is largely attributed to lacklustre credit growth in the country.

The Group continues to carry a significant exposure to movements in the currency exchange rates between the United States Dollar (USD) and the Australian Dollar (AUD). Most acquisitions are denominated in USD and USD is the functional currency of the intermediate holding company of the Group as well as a number of significant subsidiaries. The Group held 33% (2017: 83%) of its cash and Term Deposit balances in USD denominated accounts at the year end. Since the Group reports its financial results in AUD, it continues to carry significant currency reporting risks. This is reflected in the unrealised currency exchange gains of $3,552,633 reported in the current period (2017: unrealised currency exchange losses of $3,166,163).

Portfolio of Operating Entities

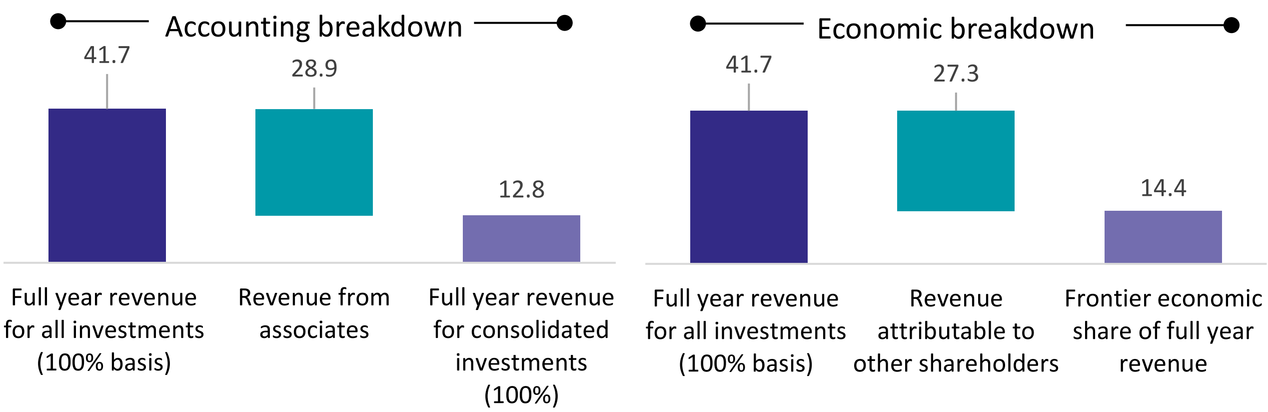
Economic Share Basis
A more accurate reflection of the Group's performance and contribution to shareholder wealth is the cumulative sum of the Group's proportionate share of the Operating Entities, measuring the performance of each investments on an economic share basis, regardless of control and the accounting treatment applied.

On an economic share basis, below is a summary of Revenue and Adjusted EBITDA since FY2016 for the full portfolio of Operating Entities:

Economic Share basis (Operating Entities)	2016 $'000	2017 $'000	2018 $'000
Revenue	3,897	8,896	14,377
Revenue Growth (%)	*N/A*	*128%*	*62%*
Adjusted EBITDA	(4,311)	(4,352)	(3,843)
EBITDA loss (%)	*(111%)*	*(49%)*	*(27%)*
Share price at 31 December	$0.487	$0.695	$0.500

100% Basis
While a review of performance on an economic share basis is the best indicator of shareholder wealth through a valuation of the sum of parts, the best measure of underlying performances of the Operating Entities is through a review of performances on a 100% basis.

Outlined below is a reconciliation bridging Revenues on an 100% basis to an economic share basis and to the accounting treatment for FY18.



Directors' Report (cont'd)

Review of Operations (cont'd)

The historical performance of the Operating Entities in the Frontier portfolio on a 100% basis since 2016 is summarised below:

100% basis	2016 $'000	2017 $'000	2018 $'000
Revenue	15,129	27,008	41,729
Revenue Growth (%)	*N/A*	*79%*	*55%*
Adjusted EBITDA	(13,555)	(12,901)	(11,728)
EBITDA loss (%)	*(90%)*	*(48%)*	*(28%)*

Non Financial Key Performance Indicators	Dec 2016	Dec 2017	Dec 2018
Sessions	*19,136,983*	*22,899,603*	*25,241,507*
Advertisers	*1247,927*	*170,731*	*197,921*

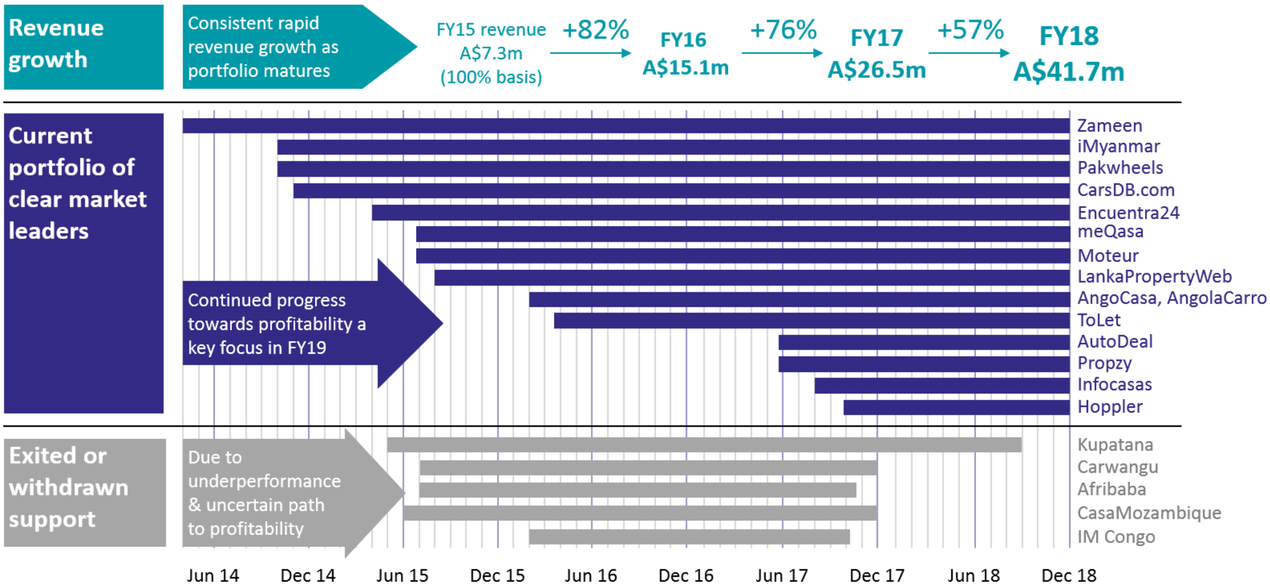
Dividends

No dividends have been paid or declared since the start of the financial year and the Group does not propose to pay a dividend for this reporting period.

Business Strategies & Future Developments

Frontier is a leading operator of online classifieds businesses in emerging and frontier markets. Since its incorporation in 2014, the company has established a portfolio of online classified businesses across the property, automotive and general classifieds sectors. Frontier's portfolio currently comprises of 14 market leading companies, which operate across 15 different markets.

Frontier has grown significantly since its IPO in August 2016 with the business seeing continued maturation across some of its leading investments while prudent exits were made from underperforming operations – outlined below.



In 2019, Frontier is focused on achieving profitability on a whole of portfolio level through a combination of leveraging its market leading position in the various regions to drive continued revenue growth and through exercising prudent expense management.

Directors' Report (cont'd)

Business Strategies & Future Developments (cont'd)

Outside of this goal, Frontier has also set its broader strategic goals for 2019, which include:

Pursuit of portfolio profitability

Aim for FY19 to progress portfolio towards profitability at a portfolio level through continued revenue growth

Market valuations

External funding rounds to help validate the growth in pre-money valuations across FDV's portfolio of market leading operating companies

Continued investment

FDV will opportunistically invest more in its leading investments through milestone payments and valuable call options

Continued business growth

Consolidation or addition of new verticals to existing investments as well as continued operational execution against the Zameen blueprint

Frontier expects to see an increase in monetisation opportunities at a portfolio level which it will assess in the interests of all shareholders. There are a number of monetisation options available to Frontier, for both its individual investments and groups of investments, which include (but not limited to):

- Sell down to existing shareholders
- Sale to financial investors
- Tranche sale to new shareholders
- Trade sale to strategic investors
- Initial Public Offering (or listing via a reverse takeover)
- Merger with a competitor

The business remains well positioned to continue its growth trajectory and deliver value for its new and existing shareholders.

Environmental Issues

The Company takes a responsible approach in relation to the management of environmental matters. All significant environmental risks have been reviewed and the Group has no legal obligation to take corrective action in respect of any environmental matter.

Share Issues

During the course of the year, the Company issued shares as follows:

Month	No. of Shares	Net Amount $	Issue Type
January 2018	745,000	372,500	Employee Rights Plan
March 2018	173,099	128,093	Executive incentive plan
June 2018	22,157,668	14,402,484	Entitlement offer
June 2018	106,628	67,390	Directors' remuneration
July 2018	280,000	140,000	Employee Rights Plan
Total for the year	23,462,395	15,110,468	

Directors' Report (cont'd)

Events subsequent to reporting date

There have not been any transactions or events of a material and unusual nature between the end of the reporting period and the date of the report likely, in the opinion of the Directors of the Company, to affect significantly the operations of the consolidated entity, the results of those operations, or state of affairs of the consolidated entity in future years.

Indemnification of officers

The Company has indemnified each Director of the Group, the Company Secretary and previous Directors and Secretaries (Officers) against all liabilities or loss (other than to the Company or a related body corporate) that may arise from their position as Officers of the Company and its controlled entities, except where the liability arises out of conduct involving a breach of duties or negligence, or where indemnification is otherwise not permitted under the Corporations Act. The indemnity stipulates that the Company will meet the full amount of any such liabilities, including costs and expenses, and covers a period of seven years after ceasing to be an Officer of the Company.

The Company has also indemnified the current and previous Directors of its controlled entities and certain members of the Company's senior management for all liabilities and loss (other than to the Company or a related body corporate) that may arise from their position, except where the liability arises out of conduct involving a breach of duties or negligence, or where indemnification is otherwise not permitted under the Corporations Act.

The Company has executed deeds of indemnity with each of the Non-Executive Directors.

Indemnification of auditors

To the extent permitted by law, the Company has agreed to indemnify its auditors, Deloitte Touche Tohmatsu, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Deloitte Touche Tohmatsu during or since the financial year.

Directors' and Officers' Insurance

The Company has paid insurance premiums for one year's cover in respect of Directors' and Officers' liability insurance contracts, for Officers of the Company and of its controlled entities. The insurance cover is on standard industry terms and provides cover for loss and liability for wrongful acts in relation to the relevant person's role as an Officer, except that cover is not provided for loss in relation to Officers gaining any profit or advantage to which they were not legally entitled, or Officers committing any criminal, dishonest, fraudulent or malicious act or omission, or any knowing or wilful violation of any statute or regulation.

The insurance does not provide cover for the independent auditors of the Company or of a related body corporate of the Company.

In accordance with usual commercial practice, the insurance contract prohibits disclosure of details of the nature of the liabilities covered by the insurance, the limit of indemnity and the amount of the premium paid under the contract.

Directors' meetings

The following table sets out the number of Directors' meetings (including meetings of committees of Directors) held during the financial year and the number of meetings attended by each director (while they were a director or committee member).

During the financial year, there were nine Board Meetings, two Remuneration and Nomination Committee meetings and two Audit and Risk Committee meetings.

	Board of Directors		Audit & Risk Committee		Nomination & Remuneration Committee	
Directors	Held	Attended	Held	Attended	Held	Attended
Anthony Klok	9	9	2	2	2	2
Shaun Di Gregorio	9	9	0	0	0	0
Mark Licciardo	9	8	2	2	2	2

Directors' Report (cont'd)

Directors' Interest in Contracts

No material contracts involving Directors' interests were entered into since the end of the previous financial year, or existed at the end of the year, other than those transactions detailed in Note 31 to the Financial Statements.

Non-audit services

The Board of Directors, in accordance with advice from the Audit and Risk 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 the services disclosed below did not compromise the external auditor's independence for the following reasons:

- all non-audit services are reviewed and approved by the Audit and Risk committee 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 as set out in the Institute of Chartered Accountants in Australia and CPA Australia's Professional Statement F1: Professional Independence.

Fees to the external auditors for non-audit services amounted to $ Nil during the financial year (2017: $ Nil).

Auditor's independence declaration

The statement by the Consolidated Entity's external auditors to the members of Frontier Digital Ventures Limited in relation to the auditors' compliance with the independence requirements of the Corporations Act and the professional code of conduct for external auditors, forms part of this Directors' Report and is set out after this Directors' Report on page 19.

No person who was an Officer of the Company during the financial year was a Director or partner of the Group's external auditor at a time when the Group's external auditor conducted an audit of the Group.

REMUNERATION REPORT

This Remuneration Report forms part of the Directors' Report and outlines the remuneration arrangements for executives and employees of Frontier Digital Ventures Limited and controlled entities, including Specified Directors and Specified Executives in accordance with section 300A and Regulation 2M.3.03 of the Corporations Regulations

Director and senior management details

The following persons acted as Directors of the Company during or since the end of the financial year:

- Shaun Di Gregorio
- Anthony Klok
- Mark Licciardo

The term 'senior management' is used in this remuneration report to refer to the following persons. Except as noted, the named persons held their current position for the whole of the financial year and since the end of the financial year:

- Shaun Di Gregorio (Chief Executive Officer)
- Shiao Chan (Chief Financial Officer)
- Shen Loh Lim (Director of Growth & Operations)
- Marco Rampazzo (Director of Corporate Development)

Remuneration & Nomination Committee

Role

The membership, responsibilities, authority and activities of the Remuneration & Nomination Committee are set out in the Remuneration & Nomination Committee Charter, which has been approved by the Board.

The responsibilities of the Remuneration Committee are to:

- monitor, review and recommend to the Board, as necessary and appropriate:
  - the remuneration, superannuation and incentive policies and arrangements for the Chief Executive Officer and key management personnel (i.e. those executives who report directly to the Chief Executive Officer);
  - the remuneration arrangements for Non-Executive Directors on the Board;
  - the recruitment, retention and termination policies and procedures for the Chief Executive Officer and key management personnel; and
  - key appointments and executive succession planning.
- oversee the Group's general remuneration strategy;
- review the composition of the Board including:
  - the criteria for selection of Directors, having regard to the need for the breadth and depth of skills and experience on the Board; and
  - the process for selecting new Directors.

Membership and meetings

As at the date of this report, the members of the Remuneration & Nomination Committee were:

- Anthony Klok (Chairman)
- Mark Licciardo

The Chief Executive Officer and the Chief Financial Officer attend meetings by invitation to assist the Committee in its deliberations except on matters associated with their own remuneration.

Remuneration Report (cont'd)

Advisers

External specialist remuneration advice is sought on an as-needs basis in respect of remuneration arrangements for Non-Executive Directors of the Board and key management personnel of the Group. General reward advice is sought on an ad hoc basis. No external reward advice was received during the financial year in respect of executive rights (2017: Nil).

Reward policy

The Company has an established policy for determining the nature and amount of emoluments of Board members and key management personnel of the Company to align remuneration with the performance of the Group. The remuneration structure for the key management personnel seeks to emphasise payment for results.

Reward philosophy

The Company's overall philosophy is to manage the remuneration to:

- create an environment that will attract top talent, and where people can be motivated with energy and passion to deliver superior performance;
- recognise capabilities and promote opportunities for career and professional development;
- provide rewards, benefits and conditions that are competitive within the markets in which the Group operates; and
- provide fair and consistent rewards across the Group, which support corporate principles.

The Company has a policy of ensuring that at least part of the remuneration of key management personnel is based on the performance of the Company. Key management personnel are compensated with fixed remuneration and "at risk" remuneration based on revenue and earnings targets.

Statutory performance indicators and shareholder wealth

In 2017, an 'at risk' element of performance incentive was introduced with entitlement to incentives contingent upon the achievement of pre-determined revenue and operating expense targets by investments across the entire portfolio. This component of the remuneration structure continued in 2018 and will increase as a percentage of total executive remuneration as employee Share Rights diminish over time.

The consolidated financial statements report significant growth during the year with consolidated revenues from continuing operations increasing by 39% and corresponding EBITDA losses continuing to narrow, falling from 63% to 46%.

Consolidated basis	2016 $	2017 $	2018 $
Revenue*	2,139,551	10,041,144	12,773,922
Adjusted EBITDA*	(3,681,880)	(6,334,667)	(5,931,557)
Net loss after tax	(4,603,325)	(17,825,316)	(10,256,495)

**Continuing operations at respective reporting period end*

As noted in the Directors' Report, due the combination of Controlled Entities and Associate companies in the Frontier portfolio, the most appropriate view of Group performance and the effect on shareholder wealth is an assessment of the Operating Entities on an economic share basis.

On an economic share basis, full portfolio revenues have grown by a significant 55% with EBITDA losses narrowing from 49% to 27% during the year.

Economic Share basis (Operating Entities)	2016 $	2017 $	2018 $
Revenue	3,896,908	8,895,842	14,377,293
Revenue Growth (%)	*N/A*	*128%*	*62%*
Adjusted EBITDA	(4,311,376)	(4,352,425)	(3,842,645)
EBITDA loss (%)	*(111%)*	*(49%)*	*(27%)*
Share price at 31 December	$0.487	$0.695	$0.500

Key Management Personnel and Executive Director Remuneration

The Company aims to reward key management personnel with a level and mix of remuneration commensurate with their position and responsibilities within the Company and:

- Reward key management personnel for achievement of pre-determined key performance indicators;
- Link reward with the strategic goals and performance of the Company; and
- Ensure total remuneration is competitive by market standards.

Remuneration Report (cont'd)

Key Management Personnel and Executive Director Remuneration (cont'd)

The Remuneration for key management personnel and staff includes an annual review using a formal performance appraisal process. The Remuneration Committee recommends to the Board the level of fixed remuneration for the CEO each year based on his performance.

The remuneration structure is in two parts:
- Fixed remuneration; and
- Variable remuneration

Fixed remuneration

The level of fixed remuneration is set so as to provide a base level of remuneration which is both appropriate to the position and is competitive in the market. Fixed remuneration comprises of payroll salary, superannuation and other benefits.

Variable Remuneration

Comprises a short term incentive plan and a long term incentive plan.

- *Short term incentive plan (STI)*

  Short term incentives are used to reward performance on a year by year basis. The principal performance indicator of the short term incentive plan will be the financial performance of the Operating Entities within the Group, including both controlled entities and associate companies, during the year. The percentage and threshold level can differ for each individual and will be reviewed each year. These financial performance targets must be met in order to trigger payments to key management personnel under the STI. Payments will be made in the form of cash and shares. Key employees of Frontier will be eligible to participate in the STI program by invitation from the Board.

- *Long term incentive plan (LTI)*

  Frontier has established a long term incentive plan called the Frontier Digital Ventures Limited Rights Plan ("Rights Plan"). The Rights Plan is designed to align the interests of employees with the interests of Shareholders by providing an opportunity for employees to receive an equity interest in Frontier.

  The Rights Plan is part of the Company's remuneration strategy and is designed to align the interests of management and shareholders and assist Frontier in the attraction, motivation and retention of executives. In particular, the Plan is designed to provide relevant executives with an incentive for future performance, with conditions of vesting and exercise of performance rights under the Plan, encouraging those executives to remain with the Company and contribute to the future performance of the Company. Employees will be eligible to participate in the Plan by invitation from the Board.

  The Rights Plan allows the Company to grant rights to acquire Shares ("Rights"), subject to the terms of individual offers and the satisfaction of performance and/or service conditions determined by the Board from time to time.

The Rights Plan was approved by Directors of the Company at a Board of Directors' Meeting on 15 July 2016 and grants key management personnel and certain employees who contributed to the success of the Group's initial public offering ("Listing" or "IPO") on 26 August 2016 Rights to 3,150,000 of free shares in the Group to be issued at a later date. The total fair value of the 2016 Rights granted was $1,575,000 at the initial public offering price of A$0.50 each.

Remuneration Report (cont'd)

Key Management Personnel and Executive Director Remuneration (cont'd)

The key terms of the Rights Plan and the initial grant of those Rights are set out in the table below

Eligibility	Offers may be made at the Board's discretion to employees of the Company or any of its subsidiaries.
Offers under the Rights Plan	The Board may make offers of Rights at its discretion, subject to any requirements for Shareholder approval. The Board has the discretion to set the terms and conditions on which it will offer Rights in individual offer documents. An offer must be accepted by the employee. The offers for the Initial Grants are made on an opt-in basis.
Grants of Rights	The Initial Grants will be made on or shortly after Listing. A Right entitles the holder to acquire a Share for nil consideration subject to meeting specific vesting conditions.
Grant price	For the Initial Grants, Rights will be granted for nil consideration.
Exercise price	For the Initial Grants, no exercise price is payable in respect of the Rights granted.
Performance period	The performance period for the Initial Grants will be: • for employees who commenced employment prior to 30 June 2016, the period commencing on the date of Listing and ending on 31 December 2018; and • for employees who commenced employment on or after 30 June 2016, the period commencing on the date of Listing and ending on 30 June 2019.
Vesting conditions and vesting	Rights granted under the Rights Plan will vest subject to the satisfaction of vesting conditions, as determined by the Board and specified in the offer document. For the Initial Grants to employees who commenced employment prior to 30 June 2016: • the first tranche of Rights will vest if the participant remains employed with the Frontier Group until 31 December 2016; • the second tranche of Rights will vest if the participant remains employed with the Frontier Group until 31 December 2017; and • the third tranche of Rights will vest if the participant remains employed with the Frontier Group until 31 December 2018. For the Initial Grants to employees who commenced employment on or after 30 June 2016: • the first tranche of Rights will vest if the participant remains employed with the Frontier Group until 30 June 2017; • the second tranche of Rights will vest if the participant remains employed with the Frontier Group until 30 June 2018; and • the third tranche of Rights will vest if the participant remains employed with the Frontier Group until 30 June 2019. The portion of a participant's Rights that can vest in each tranche will be specified in their individual offer document.

Remuneration Report (cont'd)

Key Management Personnel and Executive Director Remuneration (cont'd)

Entitlements associated with Rights	Rights granted under the Rights Plan do not carry dividend rights, voting rights or rights to capital distributions prior to vesting. Shares issued upon vesting of the Rights will rank equally with all other Shares.
Restrictions on dealing	Participants in the Rights Plan must not sell, transfer, encumber or otherwise deal with Rights. Participants will be free to deal with the Shares allocated on vesting of Rights, subject to the requirements of the Company's Policy for Dealing in Securities.
Cessation of employment	If a participant ceases employment with the Frontier Group due to resignation or termination for cause, all unvested Rights held by the participant will lapse unless the Board determines otherwise. If a participant ceases employment for any other reason, unless the Board determines otherwise, a pro rata portion of their unvested Rights (calculated by reference to the portion of the performance period that has elapsed up to the date of cessation) will remain on foot subject to the original vesting conditions for those Rights, and will vest as if the participant had not ceased employment. The remainder of their unvested Rights will automatically lapse.
Clawback and Preventing inappropriate benefits	Under the terms of the Initial Offers, the Board has 'clawback' powers which may be exercised if, among others things, the participant: • has acted unlawfully, fraudulently or dishonestly; • is in serious breach of their obligations in relation to the affairs of a Frontier Group company; • has committed any act of fraud, defalcation, gross misconduct; • has acted in a manner which brings the Company or the Frontier Group into disrepute; • has been convicted or have had judgment entered against them in connection with the Frontier Group's affairs; or • has engaged in behaviour that may impact on the Frontier Group's financial soundness or require re-statement of the Frontier Group's financial accounts.
Change of control	Under the terms of the Initial Offers, the Board may determine that some or all of the Rights will vest on a change of control. If an actual change of control occurs before the Board exercises this discretion: • a pro rata portion of the Rights will vest, calculated based on the portion of the relevant performance period that has elapsed up to the date of the actual change of control; and • the Board retains a discretion to determine whether the remaining unvested Rights will vest or lapse.

Remuneration Report (cont'd)

Shares under rights or issued in exercise of rights

There were 1,025,000 shares issued in exercise of rights during the year (2017: 1,030,000), of which 840,000 (2017: 820,000) were issued to key management personnel. Since the year end, a further 720,000 shares were issued as a result of the exercise of rights, of which 720,000 related to key management personnel.

The initial grant, vest and exercise of Share Rights are set out in the table below:

Table A Name	Date of Grant	Balance of Rights Not Exercised at 1 Jan 2018	Share Rights Granted in the year No.	Vesting condition - Continued employment as at dates below	Vesting and Exercise Date	Vested Number	Vested %	Unvested Rights at date of report No.
Shen Loh Lim	26 Aug 2016	-	-	31 Dec 2016	11 Jan 2017	600,000	100%	-
	26 Aug 2016	600,000	-	31 Dec 2017	15 Jan 2018	600,000	100%	-
	26 Aug 2016	600,000	-	31 Dec 2018	14 Jan 2019	600,000	100%	-
		1,200,000	-			1,800,000		-
Shiao Chan	26 Aug 2016	-	-	30 Jun 2017	11 Jul 2017	100,000	100%	-
	26 Aug 2016	120,000	-	30 Jun 2018	11 Jul 2018	120,000	100%	-
	26 Aug 2016	140,000	-	30 Jun 2019		-	0%	140,000
		260,000	-			220,000		140,000
Marco Rampazzo	26 Aug 2016	-	-	31 Dec 2016	11 Jan 2017	120,000	100%	-
	26 Aug 2016	120,000	-	31 Dec 2017	15 Jan 2018	120,000	100%	-
	26 Aug 2016	120,000	-	31 Dec 2018	14 Jan 2019	120,000	100%	-
		240,000	-			360,000		-

Key Management Personnel Remuneration

The following table summarises the remuneration arrangements for the key management personnel for 2018. Details of remuneration of key management personnel and Directors are shown on Table B of this report.

Name	Mr S Di Gregorio	Ms S Chan	Mr S Loh Lim	Mr M Rampazzo
Position	Chief Executive Officer	Chief Financial Officer	Director of Growth and Operations	Director of Corporate Development
Term of employment	No fixed term	No fixed term	No fixed term	No fixed term
Notice period	6 months	3 months	3 months	3 months
Total employment cost	$405,000 per annum	MYR510,300 per annum	MYR541,800 per annum	MYR441,000 per annum
Short term incentive	$60,000 by cash or shares based on achievement of target portfolio revenue and EBITDA, optimisation of investment returns, successful completion of capital raise in 2018	20% based on 100% achievement of target portfolio revenue and EBITDA	20% based on 100% achievement of target portfolio revenue and EBITDA	60% based on 100% achievement of target portfolio revenue and EBITDA
Long term incentive under Rights Plan	-	Share rights per Table A above	Share rights per Table A above	Share rights per Table A above
Termination by executive	6 months	3 months	3 months	3 months
Termination by company	6 months	3 months	3 months	3 months

Remuneration Report (cont'd)

Details of remuneration

The following tables show details of the nature and amount of each element of the remuneration paid or payable with respect to services provided for the period as Directors of the Company and key management personnel of the Group during the period.

Remuneration of Directors and senior management (Table B)

2018

Table B	Salary & Fees	Post employ ment benefits	Short term incentive payable in cash	Short term incentive payable in shares	Share Rights	Total	Short term incentive included in total remuneration	Short term incentive as a % of total remuneration	% of compensation for the year consisting of rights
	$	$	$	$	$	$	$	%	%
Non exec Directors									
Anthony Klok	120,000	-	-	-	-	120,000	-	0%	0%
Mark Licciardo	60,000	-	-	-	-	60,000	-	0%	0%
	180,000	-	-	-	-	180,000	-	0%	0%
Key Management Personnel									
S Di Gregorio	383,333	-	60,000	-	-	443,333	60,000	14%	0%
S Chan	168,864	19,893	-	28,531	40,704	257,992	28,531	11%	16%
S Loh Lim	179,269	21,141	-	30,293	127,622	358,325	30,293	8%	36%
M Rampazzo	145,448	-	-	176,228	25,524	347,200	176,228	51%	7%
	876,914	41,034	60,000	235,052	193,850	1,406,850	295,052	21%	14%
Total	1,056,914	41,034	60,000	235,052	193,850	1,586,850	295,052	19%	12%

2017

Table B	Salary & Fees	Post employ ment benefits	Short term incentive payable in cash	Short term incentive payable in shares	Share Rights	Total	Short term incentive included in total remuneration	Short term incentive as a % of total remuneration	% of compensation for the year consisting of rights
	$	$	$	$	$	$	$	%	%
Non exec Directors									
Anthony Klok	3,616	-	-	-	-	3,616	-	0%	0%
David Baxby	121,233	-	-		-	121,233	-	0%	0%
Mark Licciardo	50,000	-	-	-	-	50,000	-	0%	0%
	174,849	-	-	-	-	174,849	-	0%	0%
Key Management Personnel									
S Di Gregorio	340,000	-	120,000	-	-	460,000	120,000	26%	0%
S Chan	147,715	17,393	-	11,713	86,372	263,193	11,713	4%	33%
S Loh Lim	156,818	18,482	-	12,436	349,732	537,468	12,436	2%	65%
M Rampazzo	127,541	-	-	142,365	69,946	339,852	142,365	42%	21%
	772,074	35,875	120,000	166,514	506,050	1,600,513	286,514	18%	32%
Total	946,923	35,875	120,000	166,514	506,050	1,775,362	286,514	16%	29%

No retirement benefits were paid to Directors or Key Management Personnel in either 2017 or 2018. Included in short term incentive payable in cash to Mr Di Gregorio in 2017 is $60,000 in respect of 2016.

Mr M Licciardo, a director during the year, is also director of Mertons Corporate Services Pty Ltd, which was engaged to provide company secretarial services to the Company during the year for a fee of $60,000 (2017: $60,840).

Remuneration Report (cont'd)

Share based payments to executives

Total remuneration to key management personnel included short term incentive payable in shares to executives of $235,052 (2017: $166,514).

On 26 February 2018, the Directors approved the issue of 158,819 (2017: 133,824) shares with a fair value of $117,526 (2017:$68,250) to Key Management Personnel, as part of the company executive incentive plan.

At the end of the financial year, $117,526 (2017: $98,264) in value of shares were yet to be issued to key management personnel. Based on the variable VWAP of shares over the period of service, a total of 195,877 (2017: 161,735) shares are outstanding to all key management personnel. The VWAP for the year ended 31 December 2018 was 60.00 cents (2017: 60.76 cents).

Share based payments to Non-Executive Directors

By an agreement between the Company and each of the Non-Executive Directors, the Non-Executive Directors have agreed to provide services to the Company. The Non-Executive Directors will be remunerated either by cash or by Frontier shares. During the financial year Directors' entitlement to shares vests monthly on a pro-rata basis provided they continue to be Directors of the Company at that time.

The remuneration of Non-Executive Directors for the year ended 31 December 2018 includes $60,000 (2017: $78,523) in value of shares which are yet to be issued to Non-Executive Directors. The number of shares in respect of the 2018 remuneration is based on the VWAP over the period of service. The VWAP for the year ended 31 December 2018 was 60.00 cents (2017: 60.76 cents).

A total of 100,000 (2017: 125,027) shares outstanding to all directors at the end of the financial year was determined using variable VWAP based on the period of service and is subject to shareholder approval at the next annual general meeting.

	2018			2017		
	Shares issued	Shares vested but not issued	Total	Shares issued	Shares vested but not issued	Total
David Baxby	69,577	-	69,577	245,098	88,281	333,379
Mark Licciardo	37,051	100,000	137,051	-	36,746	36,746
	106,628	100,000	206,628	245,098	125,027	370,125

In addition to remuneration benefits above, the Company paid a premium for a contract insuring all Directors of the Company and specified executives of the Group as officers. It is not possible to allocate the benefit of this premium between individual Directors or specified executives. In accordance with usual commercial practice, the insurance contract prohibits disclosure of details of the premium paid under the contract.

Non-Executive Director Remuneration

The following persons were Non-Executive Directors of the Company at 31 December 2018:

Name	**Position**
Anthony Klok	Non-Executive Director
Mark Licciardo	Non-Executive Director

Remuneration Report (cont'd)

Remuneration Policy

Fees are established from time to time for the Chairman, Deputy Chairman and Non-Executive Directors. The appointment letters for the Non-Executive Directors set out the terms and conditions of their appointments. These terms and conditions are in conjunction with, and subject to, the Company's Constitution and the charters and policies approved by the Board from time to time.

Each Non-Executive Director receives a fee for being a Director of the Company. These fees are either paid in cash or by the issue of Frontier shares.

Options

During the year, Anthony Klok was invited to participate in a rights plan granting options over shares of the Company. The offer is subject to shareholder approval at the Company's 2019 annual general meeting.

There were no share options granted to Directors during or since the end of the financial year.

Signed in accordance with a resolution of the Directors made pursuant to s.298 (2) of the Corporations Act 2001.

On behalf of the Directors

Dated 25 February 2019

………………………………
Anthony Klok
Chairman

Deloitte.

Deloitte Touche Tohmatsu
ABN 74 490 121 060

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www.deloitte.com.au

25 February 2019

Mr Mark Licciardo
Chair - Audit & Risk Committee
Frontier Digital Ventures Limited
Level 7, 330 Collins Street
MELBOURNE VIC 3000

Dear Mark

Auditor's Independence Declaration to Frontier Digital Ventures 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 Frontier Digital Ventures Limited.

As lead audit partner for the audit of the financial report of Frontier Digital Ventures Limited for the year ended 31 December 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 faithfully

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Anneke du Toit
Partner

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
for the year ended 31 December 2018

		2018	2017*
Continuing operations	**Note**	**$**	**$**
Revenue	**4**	12,773,922	9,192,911
Administrative expenses		(1,673,075)	(1,727,826)
Offline production costs		(1,620,069)	(999,682)
Employment expenses	**5**	(8,071,776)	(5,713,052)
Advertising and marketing expenses		(5,409,941)	(4,840,641)
Premises and infrastructure expenses		(2,211,043)	(1,575,802)
Transaction advisory costs		(27,902)	(313,002)
Other expenses		(76,196)	-
Other income	**6**	-	144,012
Unrealised foreign exchange gain/(loss)		3,552,633	(3,166,163)
Depreciation and amortisation		(3,059,779)	(1,733,264)
Operating loss from continuing operations		**(5,823,226)**	**(10,732,509)**
Interest income		303,997	205,644
Interest expense		(10,751)	(4,274)
Consideration for cancellation of call option		1,891,568	-
Impairment of loan to and investment in associate	**7**	(1,827,623)	(550,872)
Impairment of goodwill, intangibles, property, plant and equipment		-	(1,789,406)
Share of net loss of associates			
- Share of net loss before foreign exchange loss	**16(ii)**	(2,988,048)	(3,189,819)
- Share of unrealised foreign exchange loss	**16(ii)**	(1,742,117)	(64,361)
		(4,730,165)	(3,254,180)
Loss before income tax		**(10,196,200)**	**(16,125,597)**
Income tax expense	**8**	(35,739)	(30,443)
Net loss from continuing operations		**(10,231,939)**	**(16,156,040)**
Loss from discontinued operations, net of tax	**26**	(729,542)	(1,844,760)
Gain on disposal and deemed disposal of Associates and Controlled Entities	**26**	704,986	175,484
Net loss after tax		**(10,256,495)**	**(17,825,316)**
Other comprehensive income, net of tax			
Items that may be reclassified to profit or loss			
Exchange differences on translation of foreign operations		284,250	(547,195)
Other comprehensive income arising from discontinued operation		(1,593)	(80,219)
Share of other comprehensive income of associates accounted for using the equity method	**16**	1,475,862	509,857
Other comprehensive income for the period, net of tax		1,758,519	(117,557)
Total comprehensive loss for the year		**(8,497,976)**	**(17,942,873)**

* 2017 comparative numbers have been restated for discontinued operations (Note 26).

Notes to the financial statements are included on pages 25 to 68.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
for the year ended 31 December 2018

	Note	2018 $	2017* $
Loss attributable to:			
Owners of the Company		(6,347,932)	(13,894,501)
Non-controlling interests		(3,908,563)	(3,930,815)
		(10,256,495)	**(17,825,316)**
Total comprehensive loss attributable to:			
Owners of the Company		(5,018,460)	(14,027,030)
Non-controlling interests		(3,479,516)	(3,915,843)
		(8,497,976)	**(17,942,873)**
Total comprehensive loss attributable to owners of the Company arises from:			
Continuing operations		(5,508,158)	(13,346,805)
Discontinued operations		489,698	(680,225)
		(5,018,460)	**(14,027,030)**
		Cents	**Cents**
Loss per share for loss from continuing operations attributable to the ordinary equity holders of the			
Basic loss per share	**9**	(2.92)	(6.07)
Diluted loss per share	**9**	(2.92)	(6.07)
Loss per share for loss attributable to the ordinary equity holders of the Company:			
Basic loss per share	**9**	(2.71)	(6.35)
Diluted loss per share	**9**	(2.71)	(6.35)

* 2017 comparative numbers have been restated for discontinued operations (Note 26).
Notes to the financial statements are included on pages 25 to 68.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 December 2018

	Note	2018 $	2017* $
ASSETS			
Current assets			
Cash and cash equivalents	10	19,273,330	12,751,409
Term deposits	10	24,224	43,157
Trade and other receivables	11	2,152,468	2,105,939
Other assets		34,294	35,084
Other financial assets	12	888,920	386,580
Tax receivables		45,165	23,158
Total current assets		**22,418,401**	**15,345,327**
Non-current assets			
Property, plant and equipment	13	624,649	532,027
Other intangible assets	14	5,576,735	8,618,366
Goodwill	15	17,572,298	16,464,825
Investments in Associates	16	7,781,691	7,966,202
Total non-current assets		**31,555,373**	**33,581,420**
Total assets		**53,973,774**	**48,926,747**
LIABILITIES			
Current liabilities			
Related party advances	18	5,467	54,641
Trade and other payables	19	1,940,672	1,794,829
Borrowings		-	149,618
Billings in advance		514,643	335,979
Finance lease liabilities		1,628	5,962
Contingent consideration	20	124,999	562,237
Contingent liabilities		-	216,656
Total current liabilities		**2,587,409**	**3,119,922**
Non-current liabilities			
Deferred tax liability		29,125	126,502
Borrowings	21	182,178	165,308
Total non-current liabilities		**211,303**	**291,810**
Total liabilities		**2,798,712**	**3,411,732**
NET ASSETS		**51,175,062**	**45,515,015**
EQUITY			
Share capital and share premium	22	74,169,794	60,118,042
Reserves		1,419,664	657,368
Accumulated losses		(25,622,327)	(19,274,395)
		49,967,131	41,501,015
Non-controlling interests		1,207,931	4,014,000
TOTAL EQUITY		**51,175,062**	**45,515,015**

* 2017 comparative numbers have been restated (Note 27).
Notes to the financial statements are included on pages 25 to 68.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
As at 31 December 2018

	Note	<-----Attributable to owners of the Company-----> Share capital $	Share rights plan reserves $	Other equity $	Foreign currency translation reserves $	Accumulated losses $	Total $	Non-controlling interests $	Total equity $
Balance as at 1 January 2017 (restated)		**57,717,472**	**641,313**	**195,891**	**(731,239)**	**(5,379,894)**	**52,443,543**	**4,794,639**	**57,238,182**
Loss for the year		-	-	-	-	(13,894,501)	(13,894,501)	(3,930,815)	(17,825,316)
Foreign currency translation differences		-	-	-	(132,529)	-	(132,529)	14,972	(117,557)
Total comprehensive loss for the year		-	-	-	(132,529)	(13,894,501)	(14,027,030)	(3,915,843)	(17,942,873)
Acquisition of subsidiaries	25	1,733,441	-	(106,474)	-	-	1,626,967	4,214,317	5,841,284
Disposal of subsidiaries		-	-	-	-	-	-	(14,704)	(14,704)
Increase in shareholding in subsidiaries		-	-	670,057	-	-	670,057	(1,064,409)	(394,352)
Transaction costs relating to shares issued	22	(46,221)	-	-	-	-	(46,221)	-	(46,221)
Share based payments	23	713,350	99,118	21,231	-	-	833,699	-	833,699
Balance as at 31 December 2017 (restated)		**60,118,042**	**740,431**	**780,705**	**(863,768)**	**(19,274,395)**	**41,501,015**	**4,014,000**	**45,515,015**
Loss for the year		-	-	-	-	(6,347,932)	(6,347,932)	(3,908,563)	(10,256,495)
Foreign currency translation differences		-	-	-	1,329,472	-	1,329,472	429,047	1,758,519
Total comprehensive loss for the year		-	-	-	1,329,472	(6,347,932)	(5,018,460)	(3,479,516)	(8,497,976)
Shares issued during the year	22	14,402,484	-	-	-	-	14,402,484	-	14,402,484
Disposal of subsidiaries	26	-	-	-	-	-	-	(435,071)	(435,071)
Decrease in shareholding in subsidiaries		-	-	(473,109)	-	-	(473,109)	1,447,088	973,979
Increase in shareholding in subsidiaries		-	-	181,018	-	-	181,018	(338,570)	(157,552)
Transaction costs relating to shares issued	22	(1,058,716)	-	-	-	-	(1,058,716)	-	(1,058,716)
Share based payments	23	707,984	(256,562)	(18,523)	-	-	432,899	-	432,899
Balance as at 31 December 2018		**74,169,794**	**483,869**	**470,091**	**465,704**	**(25,622,327)**	**49,967,131**	**1,207,931**	**51,175,062**

* 2017 comparative numbers have been restated (Note 27).

Notes to the financial statements are included on pages 25 to 68.

CONSOLIDATED STATEMENT OF CASH FLOWS
For the financial year ended 31 December 2018

	Note	2018 $	2017 $
Cash used in operations		(6,516,225)	(7,201,286)
Interest paid		(10,752)	(4,274)
Interest received		261,408	197,408
Net cash outflow from operating activities	28	**(6,265,569)**	**(7,008,152)**
Cash flows from investing activities			
Purchase of property, plant and equipment	13	(337,013)	(197,437)
Purchase of other intangible assets	14	(1,061,526)	(828,047)
Proceeds from disposal of property, plant and equipment		-	9,922
Investments in associates	16	(1,960,185)	(1,386,953)
Proceeds from term deposits	10	18,933	4,956,843
Payment for acquisition of subsidiaries	25	(310,791)	(3,607,620)
Cash acquired on acquisition of subsidiaries	25	-	2,892,242
Net cash (outflow)/inflow on disposal of subsidiaries	26	(139,539)	241,511
Cash flows from loans to other entities		(576,307)	(386,580)
Consideration for cancellation of call option		1,891,568	-
Net cash (outflow)/inflow from investing activities		**(2,474,860)**	**1,693,881**
Cash flows from financing activities			
Proceeds from issuance of shares		14,402,484	-
Payment of capitalised transaction costs related to issuance of shares		(1,058,716)	(41,121)
Proceeds from borrowings		576,376	-
Repayment of other borrowings		(147,400)	(393,809)
Transactions with other non-controlling entities	25.1.1	973,980	(363,598)
Net cash inflow/(outflow) from financing activities		**14,746,724**	**(798,528)**
Net increase/(decrease) in cash and cash equivalents		**6,006,295**	**(6,112,799)**
Cash and cash equivalents as at 1 January		**12,751,409**	**20,116,380**
Effects of exchange rate changes on cash and cash equivalents		515,626	(1,252,172)
Cash and cash equivalents as at 31 December	10	**19,273,330**	**12,751,409**

Notes to the financial statements are included on pages 25 to 68.

NOTES TO THE FINANCIAL STATEMENTS

1. General information

The financial statements for the financial year ended 31 December 2018 were authorised for issue in accordance with a resolution on the 25 February 2019 have been audited.

The principal activity of the Company is to invest in developing online classified businesses in underdeveloped, emerging countries or regions. The principal activities of its subsidiaries and associated companies are online classified advertising and overseas headquarters.

The registered office of the Company is located at Level 7, 330 Collins Street, Melbourne VIC 3000.

The principal place of business of the Company is located at 39-8, The Boulevard Mid Valley City Lingkaran Syed Putra, 59200 Kuala Lumpur, Malaysia.

2. Summary of significant accounting policies

Statement of compliance

The financial report is a general purpose financial report which has been prepared in accordance with the *Corporations Act 2001*, Australian Accounting Standards and interpretations issued by the Australian Accounting Standards Board, and complies with other requirements of the law.

These financial statements also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

The financial statements were authorised for issue by the Directors on 25 February 2019. The Directors have the power to amend and reissue the financial report.

Basis of preparation

The financial report has been prepared on an accruals basis and is based on historical cost, except for financial instruments measured at fair value through profit or loss. All amounts are presented in Australian dollars and are rounded to the nearest dollar unless otherwise stated.

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

The accounting policies set out below have been consistently applied to all years, except for the impact of the Standards and Interpretations described below.

2. Summary of significant accounting policies (cont'd)

Adoption of new and revised Accounting Standards

Amendments to Accounting Standards that are mandatorily effective for the current reporting period
The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to their operations and effective for an accounting period that begins on or after 1 January 2018.

New and revised Standards and amendments thereof and Interpretations effective for the current year that are relevant to the Group include:

- AASB 9 Financial Instruments and related amending Standards
- AASB 15 Revenue from Contracts with Customers and related amending Standards
- AASB 2016-5 Amendments to Australian Accounting Standards – Classification and Measurement of Share-based Payment Transactions
- AASB 2017-1 Amendments to Australian Accounting Standards – Transfers of Investment Property, Annual Improvements 2014-2016 Cycle and Other Amendments
- Interpretation 22 Foreign Currency Transactions and Advance Consideration

New and revised Australian Accounting Standards in issue but not yet effective
At the date of authorisation of the 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:

Standards/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	31 December 2019
AASB 2014-10 *Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture [AASB 10 & AASB 128],* AASB 2015-*10 Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128* and AASB 2017-5 *Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections*	1 January 2022	31 December 2022
AASB 2017-6 *Amendments to Australian Accounting Standards – Prepayment Features with Negative Compensation*	1 January 2019	31 December 2019
AASB 2017-7 *Amendments to Australian Accounting Standards – Long-term Interests in Associates and Joint Ventures*	1 January 2019	31 December 2019
AASB 2018-1 *Amendments to Australian Accounting Standards – Annual Improvements 2015-2017 Cycle*	1 January 2019	31 December 2019
AASB 2018-2 *Amendments to Australian Accounting Standards – Plan Amendment, Curtailment or Settlement*	1 January 2019	31 December 2019
AASB 2018-6 *Amendments to Australian Accounting Standards - Definition of a Business*	1 January 2020	31 December 2020
AASB 2018-7 *Amendments to Australian Accounting Standards – Definition of Material*	1 January 2020	31 December 2020
Interpretation 23 *Uncertainty over Income Tax Treatments*	1 January 2019	31 December 2019

The potential impact of the revised Standards/Interpretations on the Company's financial statements has not yet been determined.

In addition, at the date of authorization of the financial statements the following IASB Standards and IFRIC Interpretations were on issue but not yet effective, but for which Australian equivalent Standards and Interpretations have not yet been issued.

Standard/amendment	Effective for annual reporting periods beginning on or after
Amendments to References to the Conceptual Framework in IFRS Standards	1 January 2020

2. Summary of significant accounting policies (cont'd)

AASB 16: Leases

AASB 16 Leases will replace AASB 117 Leases and other related interpretations. The new lease standard will be effective from the annual reporting period commencing 1 January 2019.

All leases should be recognised on the balance sheet at inception of the lease with the exception of short-term leases (less than 12 months) and leases of low-value assets. The lessee must recognise a right-of-use asset and a corresponding lease liability in the amount of the present value of the lease payments. Subsequent to this initial measurement, the right-of-use asset is depreciated over the lease term, whilst lease payments are separated into a principal and interest portion to wind up the lease liability over the lease term.

Although depreciation on the right-of-use asset will be recorded on a straight-line bases, the total periodic expense (i.e. the sum of interest and depreciation expenses) will be generally higher in the early periods and lower in the later periods. As a constant interest rate is applied to the lease liability, interest expenses decrease as the lease payments are made during the lease term and the lease liability decreases. This trend in interest expense, combined with straight-line depreciation of the right-of-use asset, results in a front-loaded expense recognition pattern.

The Group is still in the process of performing the calculations to quantify the impact given the complexities of the various jurisdictions it operates in.

Amendments to Accounting Standards that are mandatorily effective for the current reporting period

AASB 9 Financial Instruments and related amending Standards

In the current year, the Group has applied AASB 9 Financial Instruments (as amended) and the related consequential amendments to other Accounting Standards that are effective for an annual period that begins on or after 1 January 2018.

AASB 9 introduced new requirements for:

- The classification and measurement of financial assets and financial liabilities,
- Impairment of financial assets, and
- General hedge accounting.

There were no reclassifications of financial assets or liabilities that had any impact on the Group's financial position, profit or loss, other comprehensive income or total comprehensive income in either year.

There were no financial assets or financial liabilities which the Group had previously designated as at FVTPL under IAS 39 that were subject to reclassification or which the Group has elected to reclassify upon the application of IFRS 9. There were no financial assets or financial liabilities which the Group has elected to designate as at FVTPL at the date of initial application of IFRS 9.

Further, Group doesn't have any financial instrument to which the provision for hedge accounting shall apply.

Impairment of financial assets

In relation to the impairment of financial assets, IFRS 9 requires an expected credit loss model as opposed to an incurred credit loss model under IAS 39. 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. Specifically, IFRS 9 requires the Group to recognise a loss allowance for expected credit losses on: (1) Debt investments measured subsequently at amortised cost or at FVTOCI; (2) Lease receivables; (3) Trade receivables and contract assets; and (4) Financial guarantee contracts to which the impairment requirements of IFRS 9 apply. In particular, AASB 9 requires the Group to measure the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses (ECL) if the credit risk on that financial instrument has increased significantly since initial recognition, or if the financial instrument is a purchased or originated credit impaired financial asset. However, if the credit risk on a financial instrument has not increased significantly since initial recognition (except for a purchased or originated credit impaired financial asset), the Group is required to measure the loss allowance for that financial instrument at an amount equal to 12 months ECL. AASB 9 also requires a simplified approach for measuring the loss allowance at an amount equal to lifetime ECL for trade receivables, contract assets and lease receivables in certain circumstances.

Group has recognized ECL provisions with an immaterial increase noted.

AASB 15 - Revenue from Contracts with Customers

In the current year, the Group has applied AASB 15 Revenue from Contracts with Customers (as amended in April 2016) which is effective for an annual period that begins on or after 1 January 2018. AASB 15 introduced a 5 step approach to revenue recognition.

2. Summary of significant accounting policies (cont'd)

AASB 15 - Revenue from Contracts with Customers (cont'd)
Details of the new requirements as well as their impact on the Group's consolidated financial statements are described below.

The core principle of AASB 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the Standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer.
- Step 2: Identify the performance obligations in the contract.
- Step 3: Determine the transaction price.
- Step 4: Allocate the transaction price to the performance obligations in the contract.
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.

Under AASB 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when "control" of the goods or services underlying the particular performance obligation is transferred to the customer.

The Group's current practice for the recognition of revenue from services provided by the Group, whether performed over time or at a point in time, is considered to still be an appropriate method under the new standard. The revenue policies of the subsidiaries and associates are aligned with the Group policies. Hence, the new standard is has no material impact on the Group's financial position and performance.

The following significant accounting policies have been adopted in the preparation and presentation of the financial report:

a) Principles of consolidation and equity accounting

The consolidated financial statements comprise the financial statements of Frontier Digital Ventures Limited, the Company, and its subsidiaries (referred to as the "Group" in these financial statements). Control is achieved where the Group is exposed, or has rights, to variable returns from its investment with the investee and has the ability to affect those returns through it 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 the involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

(i) *Subsidiaries*

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

The acquisition method of accounting is used to account for business combinations by the group (note 2(b)). Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss, statement of comprehensive income, statement of changes in equity and balance sheet respectively.

In preparing the consolidated financial statements, all intercompany balances, transactions, unrealised gains and losses resulting from intra-group transactions and dividends have been eliminated in full. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

(ii) Associates

Associates are all entities over which the group has significant influence but not control or joint control. Investments in associates are accounted for using the equity method of accounting, see Note 16, after initially being recognised at cost.

(iii) Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit or loss, and the group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

2. Summary of significant accounting policies (cont'd)

a) Principles of consolidation and equity accounting (cont'd)

(iii) Equity method (cont'd)

Goodwill is included in the carrying amount of the investment and is not tested for impairment individually. Instead, the entire carrying amount of the investment is tested for impairment as a single asset when there is objective evidence of impairment.

When the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

The carrying amount of equity-accounted investments is tested for impairment in accordance with the policy described in see Note 2(i).

(iv) Changes in ownership interests

The group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of the Company.

When the group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as a joint venture, associate or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

b) Business combinations

Business combinations are accounted for using the acquisition method. The consideration for each acquisition is measured at the aggregate of the fair values (at the date of exchange) of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in the income statement as incurred.

Where applicable, the consideration for the acquisition includes any asset or liability resulting from a contingent consideration arrangement are measured at the acquisition date fair value and any adjustments to the fair value are recognised in the income statement.

Where a business combination is achieved in stages, the Group's previously held interests in the acquired entity are remeasured to fair value at the acquisition date (i.e. the date the Group attains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under AASB 3 are recognised at their fair value at the acquisition date.

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 (see below), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

The measurement period is the period from the date of acquisition to the date the Group obtains complete information about facts and circumstances that existed as of the acquisition date – and is subject to a maximum of one year.

c) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The consolidated financial statements are presented in Australian Dollars, which is the Company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss on a net basis within other income or other expenses.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss.

(iii) Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the reporting date;
- income and expenses for each statement of profit or loss and statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

d) Revenue recognition

The Group recognises revenue from the following major sources:

- Classified subscription revenue; and
- Transaction commission revenue.

Revenue is measured based on the consideration to which the Group expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control of a product or service to a customer.

Classified subscription revenue

The Group provides classified subscription services that provide customers the ability to publish advertisements for sale items on websites operated by the group over a specific term. Such services are recognised as a performance obligation satisfied over time. Revenue is recognised for these subscription services is recognized uniformly over the term of the contract. Payment for classified subscription services are usually received upfront and deferred over the term of the contract. Amounts deferred are reported as "Billed in advance" in the Statement of Financial Position.

Transaction commission revenue

The Group receives transaction revenue for services provided to customers in order to secure a sale of their asset. The performance obligation is recognized at the point in time that the transaction has been completed and the asset's ownership has transferred from the customer to a third party. Completed transactions cannot be cancelled and are non-refundable. Payment is usually received after the services are completed.

Amounts received on transaction commission revenue is recognised on a net basis as the Group acts as an agent to these transactions.

The disaggregation of revenue is presented in the segment note (Note 4) which presents operations by website and geographic region (disclosed in Notes 16 and 17) which is considered to best reflect the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors. Disaggregation by recognition over time or at a point in time has been considered immaterial based on the average term of the Group's contracts.

e) Employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave and sick leave when it is probable that settlement will be required and they are capable of being measured reliably. Amounts expected to be paid under short term incentive plans are recognised if the Group has a present legal or constructive obligation to pay the amount as a result of past service provided by employees.

Liabilities recognised in respect of employee benefits expected to be settled within 12 months, are measured at their nominal values using the remuneration rate expected to apply at the time of settlement. Liabilities recognised in respect of employee benefits which are not expected to be settled within 12 months are measured as the present value of the estimated future cash outflows to be made by the Group in respect of services provided by employees up to reporting.

Share-based payments

The fair value of share rights granted to employees is recognised as an employee benefit expense over the period during which the employees become unconditionally entitled to the rights with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the rights granted, which excludes the impact of any service and non-market performance vesting conditions. Non-market vesting conditions are included in assumptions about the number of rights that are expected to vest which are revised at the end of each reporting period. The impact of the revision to original estimates, if any, is recognised in the consolidated statement of comprehensive income, with a corresponding adjustment to equity. The fair value is measured at grant date and the expense recognised over the life of the plan.

f) Financial instruments

Recognition and Derecognition

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

Financial assets

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification of Financial assets

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI):

- The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Group does not have any Debt instruments at fair value through other comprehensive income (FVTOCI).

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

Despite the foregoing, the entity may make the following irrevocable election / designation at initial recognition of a financial asset:

- The entity may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met; and
- The entity may irrevocably designate a debt investment that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

Initial measurement of financial assets

Financial assets are classified according to their business model and the characteristics of their contractual cash flows. Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with AASB 15, all financial assets are initially measured at fair value adjusted for transaction costs.

f) Financial instruments (cont'd)

Subsequent measurement of financial assets

For the purpose of subsequent measurement, financial assets, other than those designated and effective as hedging instruments, are classified into the following four categories:

- Financial assets at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Equity instruments at FVTOCI
- Financial assets at FVTPL

(i) Amortised cost and effective interest method
The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

(ii) Financial assets at fair value through profit or loss (FVTPL)
Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss to the extent they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset and is included in the 'other gains and losses' line.

Impairment of financial assets

The entity recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost or at FVTOCI, lease receivables, trade receivables and contract assets, as well as on financial guarantee contracts. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

Trade and other receivables and contract assets

The Company makes use of a simplified approach in accounting for trade and other receivables as well as contract assets and records the loss allowance at the amount equal to the expected lifetime credit losses. In using this practical expedient, the Company uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

Financial liabilities

Financial liabilities at FVTPL

Financial liabilities at FVTPL are measured at fair value, with any gains or losses arising on changes in fair value recognised in profit or loss to the extent that they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item in profit or loss.

g) Property, plant and equipment

Plant and equipment, leasehold improvements and equipment under finance lease are stated at cost less accumulated depreciation and impairment. Cost includes expenditure that is directly attributable to the acquisition of the item. In the event that settlement of all or part of the purchase consideration is deferred, cost is determined by discounting the amounts payable in the future to their present value as at the date of acquisition.

Depreciation is provided on property, plant and equipment. Depreciation is calculated using either straight line or diminishing value based on the assessed appropriateness of each method for each entity within the Company. Leasehold improvements are depreciated over the period of the lease or estimated useful life, whichever is the shorter. The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, with the effect of any changes recognised on a prospective basis.

The following estimated useful lives are used in the calculation of depreciation on a straight line basis:

	Useful lives
Computer equipment	3 years
Leasehold improvements	Life of lease
Motor vehicles	7 years
Office equipment, furniture & fittings	5 years
Plant and machinery	5 years

h) Intangible assets

Goodwill

Goodwill arising in a business combination is recognised as an asset at the date that control is acquired (the acquisition date). Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquire (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

If, after reassessment, the Group's interest in the fair value of the acquiree's identifiable net assets exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held equity interest in the acquire (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Other intangible assets

Brands and other website development costs acquired in a business combination are recognised at fair value at the acquisition date. They have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses.

Directly attributable costs that are capitalised as part of software and website development include employee costs. Capitalised development costs are recorded as intangible assets and amortised on a straight line basis from the point at which the asset is ready for use.

	Useful lives
Brands	5 years
Customer lists	2 years
Non competes	3 years
Software development costs	5 years
Website development costs	3 years

i) Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

j) Cash and cash equivalents

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

k) Provisions

Provisions for legal claims, service warranties and make good obligations are recognised when the group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

l) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Chief Executive Officer of the Group, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the chief operating decision maker that makes strategic decisions.

The financial performances of each operating segment are disclosed in Note 16 Investments in associates and Note 25 Business combinations.

m) Leases

Leases of plant and equipment where the group, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in other short-term and long-term payables. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the group will obtain ownership at the end of the lease term.

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

Lease income from operating leases where the group is a lessor is recognised in income on a straight-line basis over the lease term. The respective leased assets are included in the statement of financial position based on their nature.

n) 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.

o) Fair value measurements

Fair value of an asset or a liability, except for share-based payment and lease transactions, is determined as 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. The measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market or in the absence of a principal market, in the most advantageous market.

For a non-financial asset, the fair value measurement takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair value is categorised into different levels in a fair value hierarchy based on the input used in the valuation technique as follows:

o) Fair value measurements (cont'd)

Level 1:	Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.
Level 2:	Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3:	Unobservable inputs for the asset or liability.

The Group recognises transfers between levels of the fair value hierarchy as of the date of the event or change in circumstances that caused the transfers.

p) Income taxes

Current tax

Current tax is calculated by reference to the amount of income taxes payable or recoverable in respect of the taxable profit or tax loss for the period in the countries where the group operates and generates taxable income. It is calculated using tax rates and tax laws that have been enacted or substantively enacted by reporting date. Current tax for current and prior periods is recognised as a liability (or asset) to the extent that it is unpaid (or refundable). Current income tax relating to items recognised directly in equity is recognised in equity and not in the income statement.

Deferred tax

Deferred tax is accounted for using the balance sheet liability method. Temporary differences are differences between the tax base of an asset or liability and its carrying amount in the balance sheet at the reporting date. The tax base of an asset or liability is the amount attributed to that asset or liability for tax purposes.

In principle, deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that sufficient taxable amounts will be available against which deductible temporary differences or unused tax losses and tax offsets can be utilised. However, deferred tax assets and liabilities are not recognised if the temporary differences giving rise to them arise from the initial recognition of assets and liabilities (other than as a result of a business combination) which affects neither taxable income nor accounting profit. Furthermore, a deferred tax liability is not recognised in relation to taxable temporary differences arising from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, branches and associates, and interests in joint ventures except where the Group is able to control the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with these investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period(s) when the asset and liability giving rise to them are realised or settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by reporting date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

3. Significant accounting estimates and assumptions

Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances

(i) Determining the functional currency

Some subsidiaries of the Group operate in overseas jurisdictions but conduct transactions in multiple currencies. Judgement is applied in determining the functional currency.

The Group uses the currency of sales and purchases to determine functional currency for the Operating Companies. In most cases this is the same as the currency of the related jurisdiction.

There are a number of intermediary entities between the Parent and the Operating Companies and the Group uses, in a hierarchy, the currency in which consideration is payable for the investment holding as the primary basis, followed by purchase and operating expense indicators, and in the event that those indicators are not conclusive, the currency in which borrowings and other funds are raised for financing the operations.

3. Significant accounting estimates and assumptions (cont'd)

(ii) Control over an investee

There are a number of factors considered in determining control over an investee and these are outlined at note 2(a). A key component of the Company's assessment of control over an investee is the Company's power to direct the relevant activities of these companies. The Group achieves accounting control over these investees through Key Special Majority Matters which results in the Group's absolute and unfettered discretion over operational matters, significant to the Group's ability to direct the business activities of the investments. Accordingly, these companies are treated as subsidiaries and their results consolidated in the presentation of the Group's Consolidated Financial Statements.

Name of business acquired	Principal activity	Date of Acquisition	Percentage of shares held at 31 December 2018 %
AutoDeal	Operator of online car classifieds portals	1 June 2017	36.84%
CarsDB	Operator of online car classifieds portals	26 August 2016	64.81%
Encuentra24	Operator of online general classifieds portals	26 August 2016	42.07%
Hoppler	Operator of online property classifieds portal	5 October 2017	40.23%
iMyanmarhouse	Operator of online property classifieds portal	26 August 2016	42.63%
LankaPropertyWeb	Operator of online property classifieds portal	26 August 2016	47.76%
Meqasa	Operator of online property classifieds portal	26 August 2016	80.77%
TechAfrica	Operator of online property and car classifieds portals	5 February 2016	75.00%
ToLet	Operator of online property classifieds portal	13 May 2016	39.48%

(iii) Joint control or significant influence over the investee

As disclosed in Note 16, the Group holds equity interest between 20% and 50% of certain companies. Although the Group is represented on the Board of Directors of these companies and actively participates in the strategic policy decisions in Executive Committee meetings, it is unable to direct the decisions arrived at in these meetings. On this basis, the Group concludes that it exercises significant influence over these companies and thus treats these companies as associates.

3. Significant accounting estimates and assumptions (cont'd)

(iv) Valuation technique

The finance department of the group performs the valuations of non-property items required for financial reporting purposes.

The main areas of significant accounting estimates used by the Group in relation to valuations are derived and evaluated as follows:

a) In present value calculations
- Discount rates for financial assets and financial liabilities are determined using a capital asset pricing model to calculate a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the asset.
- Specific risk adjustments are derived from credit risk gradings incorporating country risk premiums.

b) In purchase price allocation for business combinations
- Valuation of brands
  - Relief from royalty method applied.
  - Revenue growth factor for unlisted equity securities are estimated based on the Group's expectations from past experience of similar types of companies and specific knowledge of each investment.
- Valuation of website and software development costs
  - Based on replacement cost derived from estimated man hours and cost per hour.

(v) Impairment of non-financial assets

The Group assesses impairment of non-financial assets whenever the events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable i.e. the carrying amount of the asset is more than the recoverable amount. This assessment of impairment is carried out on the carrying value of investments in associated companies as well as the carrying value of goodwill on acquisitions. For the purpose of assessing impairment, assets (including goodwill) are grouped at the lowest level where there are separately identifiable cash flows (cash-generating units).

Recoverable amount is measured at the higher of the fair value less cost of disposal for that asset and its value-in-use. Management has determined recoverable amounts by assessing fair value less cost of disposal based on management's measured and reasonable expectation of selling price achievable in the open market. In doing so, a range of possible discounted cash flow scenarios are modelled over 5 years with a revenue multiple, appropriate for the markets the CGUs operate, applied to terminal year revenue.

The valuation is considered to be level 2 and level 3 in the fair value hierarchy due to combination of observable and unobservable inputs used in the valuation.

(vi) Useful lives of other intangible assets

The Group estimates the useful lives to amortise other intangible assets based on the future performance of the assets acquired and management's judgement of the period over which economic benefits will be derived from the assets. The estimated useful lives of other intangible assets are reviewed periodically, taking into consideration factors such as changes in technology. The amount and timing of recorded expenses for any period would be affected by changes in the estimates. A reduction in the estimated useful lives of the other intangible assets would increase the recorded expenses and decrease the non-current assets. The carrying amounts of the other intangible assets are disclosed Note 14.

4. Segment Information

AASB 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance.

Information reported to the Group's Chief Executive Officer for the purposes of resource allocation and assessment of performance is focused on each individual business combinations, essentially by brand. Due to the widespread geography and variety of types of classifieds portals (property, automotive and general classifieds) there is little commonality between each business combination and hence each business combination reviewed separately.

4. Segment Information (cont'd)

The Company's reportable segments under AASB 8 are as follows:

- Autodeal.com.ph
- CarsDB.com
- Encuentra 24.com
- Hoppler.com.ph
- iMyanmarhouse.com
- LankaPropertyWeb.com
- Meqasa.com
- TechAfrica (Angolacarro.com and Angocasa.com)
- Propertypro.ng (formerly ToLet.com.ng)
- Corporate (representing the cost of administrating the Company and the Group)

The performances of the operating segments are primarily assessed using a measure of adjusted earnings before interest, tax, depreciation and amortisation (EBITDA, see below). However, the segments' revenue and assets are also assessed on a monthly basis.

Information regarding these segments is presented below. The accounting policies of the reportable segments are the same as the Group's accounting policies. The performance of associate companies is laid out in note 16.

Segment revenues and results

The following is an analysis of the Group's revenue and results by reportable operating segment for the periods under review:

	Revenue		Segment Results	
Continuing Operations	**2018 $**	**2017 $**	**2018 $**	**2017 $**
Autodeal	1,063,712	546,121	(366,737)	(161,596)
CarsDB	720,606	296,785	(181,515)	(382,995)
Encuentra24	7,474,347	6,617,180	(962,046)	(370,029)
Hoppler	869,605	76,759	(491,316)	(117,981)
iMyanmarhouse	1,378,363	929,069	(167,059)	(244,123)
LankaPropertyWeb	466,102	284,142	(90,354)	(163,040)
Meqasa	200,607	86,292	(310,588)	(337,830)
TechAfrica	141,453	1,982	(148,063)	(130,011)
ToLet	450,724	348,415	(511,761)	(422,419)
Corporate (and consolidation)	8,403	6,166	(2,702,118)	(2,756,053)
Segment Revenue and adjusted EBITDA from continuing operations	**12,773,922**	**9,192,911**	**(5,931,557)**	**(5,086,077)**
Equity settled share-based payments	-	-	(384,523)	(682,368)
Transaction advisory costs relating to initial public offering	-	-	-	(64,637)
Consideration for cancellation of call option	-	-	1,891,568	-
Unrealised currency exchange differences	-	-	3,552,633	(3,166,163)
Depreciation and amortisation	-	-	(3,059,779)	(1,733,264)
Impairment of loan to and investment in associate	-	-	(1,827,623)	(550,872)
Impairment of goodwill, intangibles, property, plant and equipment	-	-	-	(1,789,406)
Share of net loss of associates				
- Share of net loss before foreign exchange loss	-	-	(2,988,048)	(3,189,819)
- Share of unrealised foreign exchange loss	-	-	(1,742,117)	(64,361)
Net interest	-	-	293,246	201,370
Income tax expense	-	-	(35,739)	(30,443)
Consolidated segment revenue and net loss for the year from continuing operations	**12,773,922**	**9,192,911**	**(10,231,939)**	**(16,156,040)**
Revenue and net loss from discontinued operations (note 26)	105,116	957,716	(729,542)	(1,844,760)
Gain on disposal and deemed disposal of Associates and Controlled Entities (note 26)	-	-	704,986	175,484
Consolidated segment revenue and net loss for the year	**12,879,038**	**10,150,627**	**(10,256,495)**	**(17,825,316)**

4. Segment Information (cont'd)

Adjusted EBITDA excludes the effects of significant items of income and expenditure which may have an impact on the quality of earnings such as restructuring costs, legal expenses, and other isolated, non-recurring events. It also excludes the effects of equity-settled share-based payments and unrealised gains or losses on financial instruments.

Interest income and finance costs are not allocated to segments, as this type of activity is driven by the central treasury function, which manages the cash position of the group.

All revenues are generated from external customers. No single customer contributes 10% or more to the Group's revenue for 2017 or 2018.

Segment assets and liabilities

	Segment assets	
	2018 $	**2017 $**
Autodeal	4,520,707	4,462,686
CarsDB	4,451,905	3,461,402
Carwangu	-	655
CasaMozambique	-	67,583
Encuentra24	8,770,001	9,889,163
Hoppler	1,916,935	1,747,904
iMyanmarhouse	3,247,990	3,287,221
LankaPropertyWeb	672,001	787,046
Meqasa	2,378,154	2,643,368
Propzy	-	2,576,850
TechAfrica	901,708	1,016,159
ToLet	1,645,222	1,569,898
Corporate (and consolidation)	25,469,151	17,416,812
Total segment assets	**53,973,774**	**48,926,747**
Consolidated total assets	**53,973,774**	**48,926,747**

The segment assets disclosed in the table above include goodwill and other intangible assets. Further details on the amount of goodwill and intangible assets attributable to each segment are set out in Notes 15 and 14.

	Segment liabilities	
	2018 $	**2017 $**
Autodeal	305,196	205,054
CarsDB	55,976	85,143
CasaMozambique	-	299,162
Encuentra24	931,523	865,448
Hoppler	404,223	349,639
iMyanmarhouse	179,838	109,567
LankaPropertyWeb	73,426	33,974
Meqasa	60,306	14,155
Propzy	-	226,275
TechAfrica	77,435	583,307
ToLet	133,036	217,094
Corporate (and consolidation)	577,753	422,914
Total segment liabilities	**2,798,712**	**3,411,732**
Consolidated total liabilities	**2,798,712**	**3,411,732**

For the purposes of monitoring segment performance and allocating resources between segments:

- All assets are allocated to reportable segments other than interests in associates, 'other financial assets' and current and deferred tax assets. Assets used by reportable segments are allocated on the basis of the revenues earned by individual reportable segments; and
- All liabilities are allocated to reportable segments other than borrowings, 'other financial liabilities', current and deferred tax liabilities. Liabilities for which reportable segments are jointly liable are allocated in proportion to segment assets.

5. Employment expenses

	2018 $	2017 $
Salaries and wages	6,659,560	5,192,767
Employer statutory contribution and pension related	408,570	198,569
Social contribution	47,781	66,766
Others	813,882	678,926
Directors' fees	168,326	174,849
	8,098,119	6,311,877
Equity settled share-based payments	384,031	682,368
Total employee benefit expense	8,482,150	6,994,245
Less: Employee benefit expense from discontinued operations (note 26)	(410,374)	(1,281,193)
Employee benefit expense from continuing operations	8,071,776	5,713,052

6. Other income

	2018 $	2017 $
Realised currency exchange differences	-	(28,820)
Other income	-	193,660
	-	164,840
Less: Other income from discontinued operations	-	(20,828)
Other income from continuing operations	-	144,012

7. Impairment of loan to and investment in associate

The carrying values of investments in associates are tested for impairment annually and when circumstances indicate the value may be impaired.

A combination of factors arising during the financial year ended 31 December 2018 triggered a requirement to review the carrying value of Kupatana, namely the economic outlook of Tanzania, the country the business predominantly operates in, and the financial performance of Kupatana against expectations.

As a general classifieds site, Kupatana's business activities are closely linked to the performance of the wider economy, in particular that of the property and auto industries. Lacklustre private sector credit extension has directly impacted the volume of listings and revenues generated by Kupatana.

Discounted cashflow calculations were carried out on a range of scenarios, on a fair value less cost of disposal basis. Impairment was indicated in the base case scenario which included growth rates ranging from 22.9% to 33.0% in revenue and -4.4% to 12% in expenses, with a discount rate of 24.2%. Accordingly, the carrying value of the investment in Kupatana of $1,625,635 and the short term loan to Kupatana of $201,988 were fully impaired and recorded as impairment of loans to and investment in associate in the statement of comprehensive income.

During the financial year ended 31 December 2017, an impairment charge of $550,872 was recognised on the Group's investment in Kupatana.

8. Income tax

Income tax recognised in profit or loss

	2018 $	2017 $
Tax expense attributable to profit is made up of:		
- Current income tax expense	51,483	41,384
- Deferred tax credit	(21,888)	(50,956)
	29,595	(9,572)
Less: Income tax expense from discontinued operations (note 26)	6,144	40,015
Income tax expense	35,739	30,443

The income tax expense for the year can be reconciled to the accounting loss as follows:

	2018 $	2017 $
Loss before income tax is made up of:		
- Continuing operations	(10,196,200)	(15,950,113)
- Discontinued operations	(30,700)	(1,884,775)
	(10,226,900)	(17,834,888)
Tax at the Australian tax rate 30% (2017: 30%)	(3,068,070)	(5,350,466)
Tax effect of amounts which are not deductible in calculating taxable income:		
Difference in overseas tax rate	220,062	1,329,586
Non (assessable income)/deductible charge	(603,154)	649,448
Non deductible charge relating to share of associates losses	-	11,123
Deductible costs relating to share issue expenses	(303,749)	(19,391)
Effect of unused tax losses and tax offsets not recognised as deferred tax assets	3,561,353	2,975,696
Gains from deemed disposal due to accounting treatment	(92,085)	(29,832)
Non deductible charge relating to impairments	315,238	424,264
	29,595	(9,572)
Less: Income tax expense from discontinued operations (note 26)	6,144	40,015
Income tax expense	35,739	30,443

The tax rate used for the 2018 and 2017 reconciliations above is the corporate tax rate of 30% payable by Australian corporate entities on taxable profits under Australian tax law.

Unrecognised deferred tax assets

Share issue costs
A deferred tax asset has not been recognised in relation to deferred share issue costs (which have been recognised directly into share capital) because, in the opinion of the Directors, it is not probable that sufficient taxable income will be generated to utilise the future deductions.

Carry forward losses
A deferred tax asset has not been recognised in relation to the carry forward taxation losses and temporary differences due to insufficient sources of taxable income to utilise the losses and/or future deductions.

	2018 $	2017 $
Temporary differences	636,889	162,978
Tax losses - Revenue	6,224,022	3,935,338
Share issue costs deferred	988,548	684,800
	7,849,459	4,783,116

8. Income tax (cont'd)

Tax related contingencies
The Group anticipates that tax audits may occur in the future and the Group is subject to routine tax audits in certain overseas jurisdictions. The ultimate outcome of any future tax audits cannot be determined with an acceptable degree of reliability at this time. Nevertheless, the Group believes that it is making adequate provision for its taxation liabilities (including amounts shown as current tax liabilities) and is taking reasonable steps to address potentially contentious issues with tax authorities. However, there may be an impact to the Group if any of the tax authority investigations result in an adjustment that increases the Group's taxation liabilities.

9. Earnings per share

	2018 $	2017 $
Earnings per share		
Loss attributable to the ordinary equity holders of the company used in calculating earnings per share:		
From continuing operations	(6,844,489)	(13,283,541)
From discontinued operation	496,557	(610,960)
	(6,347,932)	(13,894,501)

	2018 Number of shares	2017 Number of shares
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	234,228,645	218,786,556
Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted earnings per share	234,228,645	218,786,556

During 2018, there were no potential ordinary shares that are considered dilutive as they did not meet the requirements for inclusion as per AASB 133 Earnings per share since the consolidated entity generated a loss during the 2018 financial year.

	2018 cents	2017 cents
Basic earnings per share		
From continuing operations attributable to the ordinary equity holders of the company	(2.92)	(6.07)
From discontinued operation	0.21	(0.28)
Total basic earnings per share attributable to the ordinary equity holders of the company	(2.71)	(6.35)
Diluted earnings per share		
From continuing operations attributable to the ordinary equity holders of the company	(2.92)	(6.07)
From discontinued operation	0.21	(0.28)
Total diluted earnings per share attributable to the ordinary equity holders of the company	(2.71)	(6.35)

10. Cash and cash equivalents and term deposits

	2018 $	2017 $
Cash at bank and in hand	19,273,330	12,751,409
Term deposits	24,224	43,157

Term deposits above mature in March 2019 (2017: March 2018).

11. Trade and other receivables

	2018 $	2017 $
Trade receivables	1,330,099	745,488
Less: Loss allowance on doubtful debts	(27,259)	-
	1,302,840	745,488
Other receivables		
Other receivables	233,661	793,139
Prepayments	62,885	460,203
Deposits	553,082	107,109
	849,628	1,360,451
	2,152,468	2,105,939

12. Other financial assets

Included in Other financial assets is US$625,956 (AUD equivalent $888,920) (2017: US$300,000 (AUD equivalent $386,580)) of convertible loan notes issued by Pakwheels Pte Ltd (“Pakwheels”), an associate company.

Interest at 10% per annum on a monthly rest basis will accrue six months from the date of issue of the convertible loan notes. The whole of the outstanding loan balance will be automatically converted into ordinary shares in Pakwheels should equity financing from the sale of new equity exceed a minimum amount stipulated in the agreement. If that minimum amount is not achieved by Pakwheels through equity financing, the majority of noteholders have the option to convert any part of their outstanding loan balances into equity at a prevailing fair value at the time of conversion. The financial asset is classified as fair value through profit or loss.

The convertible loan notes mature on 3 October 2022.

13. Property, plant and equipment

	2018 $	2017 $
Computer equipment		
At cost	419,817	281,159
Less: Accumulated depreciation	(203,737)	(128,697)
	216,080	152,462
Office equipment, furniture & fittings		
At cost	433,619	320,948
Less: Accumulated depreciation	(206,737)	(122,360)
	226,882	198,588
Leasehold improvements		
At cost	192,059	156,111
Less: Accumulated depreciation	(78,322)	(38,763)
	113,737	117,348
Motor vehicles		
At cost	122,250	88,192
Less: Accumulated depreciation	(65,211)	(40,394)
	57,039	47,798
Plant and machinery		
At cost	25,146	23,150
Less: Accumulated depreciation	(14,235)	(7,319)
	10,911	15,831
Total Property, Plant and Equipment	**624,649**	**532,027**

	Note	Computer equipment $	Office equipment, furniture & fittings $	Leasehold improvements $	Motor vehicles $	Plant and machinery $	Total $
At 1 Jan 2017		237,641	123,707	85,505	49,351	24,062	520,266
Acquisition of subsidiaries	25	5,974	35,494	902	10,134	-	52,504
Additions		68,491	57,075	25,797	43,947	2,127	197,437
Depreciation charge		(66,414)	(49,731)	(23,165)	(21,519)	(6,189)	(167,018)
Reclassification		(62,644)	23,525	39,119	-	-	-
Disposal of subsidiaries	26	(2,941)	(6,025)	-	(13,361)	-	(22,327)
Impairment		(4,640)	(2,168)	-	-	-	(6,808)
Disposal of assets		-	-	-	(10,905)	-	(10,905)
Written off		(3,103)	(2,267)	(360)	(2,507)	-	(8,237)
Exchange difference		(19,902)	18,978	(10,450)	(7,342)	(4,169)	(22,885)
At 31 Dec 2017		152,462	198,588	117,348	47,798	15,831	532,027
Additions		128,675	109,459	73,990	24,889	-	337,013
Depreciation charge		(69,751)	(76,198)	(36,278)	(20,452)	(5,978)	(208,657)
Reclassification		4,190	(4,190)	-	-	-	-
Disposal of subsidiaries	26	-	(11,714)	(50,035)	-	-	(61,749)
Written off		(4,443)	(537)	-	-	-	(4,980)
Exchange difference		4,947	11,474	8,712	4,804	1,058	30,995
At 31 Dec 2018		216,080	226,882	113,737	57,039	10,911	624,649

14. Intangible assets

Intangible assets are allocated to the cash generating units for which they relate, as follows:

	2018 $	2017 $
Autodeal	1,522,254	1,527,074
CarsDB	97,984	158,665
Encuentra24	1,758,419	2,268,446
Hoppler	479,526	601,598
iMyanmarhouse	181,048	262,906
LankaPropertyWeb	97,385	177,387
Meqasa	692,653	1,041,892
Propzy	-	1,457,084
TechAfrica	546,107	812,925
ToLet	201,359	310,389
Total Intangible Assets	5,576,735	8,618,366

	Note	Websites and domains $	Software $	Brands $	Customer lists $	Non competes $	Other intangible assets $	Total $
Cost								
At 1 January 2017		2,516,718	-	2,823,395	-	-	208,110	5,548,223
Acquisition of subsidiaries		1,419,114	887,387	1,764,101	-	-	-	4,070,602
Additions		510,876	-	-	412,184	1,555,974	-	2,479,034
Impairment		(129,466)	-	(61,318)	-	-	-	(190,784)
Disposal of subsidiaries		(474,876)	-	-	-	-	-	(474,876)
Reclassification		208,110	-	-	-	-	(208,110)	-
Exchange difference		(250,610)	(41,300)	(277,243)	(2,606)	(9,839)	-	(581,598)
At 31 December 2017		3,799,866	846,087	4,248,935	409,578	1,546,135	-	10,850,601
Additions		496,762	225,839	-	-	-	-	722,601
Disposal of subsidiaries	26	(356,880)	(408,675)	(919,494)	-	-	-	(1,685,049)
Reclassification		(78,436)	78,436	-	-	-	-	-
Exchange difference		442,824	65,261	342,277	41,797	157,781	-	1,049,940
At 31 December 2018		4,304,136	806,948	3,671,718	451,375	1,703,916	-	10,938,093
Accumulated amortisation								
At 1 January 2017		305,736	-	193,718	-	-	52,296	551,750
Amortisation for the period		1,037,848	98,868	707,139	34,722	87,407	-	1,965,984
Impairment		(15,477)	-	(7,154)	-	-	-	(22,631)
Disposal of subsidiaries		(202,642)	-	-	-	-	-	(202,642)
Reclassification		52,296	-	-	-	-	(52,296)	-
Exchange difference		(36,292)	(158)	(21,674)	(591)	(1,511)	-	(60,226)
At 31 December 2017		1,141,469	98,710	872,029	34,131	85,896	-	2,232,235
Amortisation for the period		1,246,536	219,964	742,295	212,631	535,129	-	2,956,555
Disposal of subsidiaries	26	(102,438)	(70,383)	(158,357)	-	-	-	(331,178)
Reclassification		(892)	892	-	-	-	-	-
Exchange difference		306,629	17,502	121,467	16,540	41,608	-	503,746
At 31 December 2018		2,591,304	266,685	1,577,434	263,302	662,633	-	5,361,358
Carrying amount								
At 31 December 2018		1,712,832	540,263	2,094,284	188,073	1,041,283	-	5,576,735
At 31 December 2017		2,658,397	747,377	3,376,906	375,447	1,460,239	-	8,618,366

15. Goodwill

	Note	2018 $	2017 $
At 1 January (restated)	27	16,464,825	16,225,452
Additions from business combinations acquired during the year		-	4,100,766
Adjustments relating to business combinations acquired in the prior year	25	(5,299)	46,779
Disposals		(499,353)	(1,250,096)
Impairment		-	(1,393,922)
Exchange difference		1,612,125	(1,264,154)
At 31 December		17,572,298	16,464,825

Goodwill relates to cash generating units as follows:

	2018 $	2017 $
Autodeal	2,431,703	2,206,530
CarsDB	3,455,419	3,135,450
Encuentra24	5,647,928	5,124,935
Hoppler	801,228	732,370
iMyanmarhouse	2,154,516	1,971,266
LankaPropertyWeb	384,970	349,322
Meqasa	1,564,376	1,419,517
Propzy	-	498,114
TechAfrica	196,006	177,856
ToLet	936,152	849,465
Total Goodwill	**17,572,298**	**16,464,825**

The recoverable amounts of each cash generating unit (CGU) is determined based on fair value less cost of disposal calculations, derived from management's measured and reasonable expectation of selling price achievable in the open market at a revenue multiple appropriate for the market the CGU operates, as laid out in note 3(v). Management annually tests the carrying amounts of CGUs, which include carrying amounts of goodwill and intangible assets, to determine whether impairment is required.

The appropriate discount rate applied has been determined based on the risk free rate plus a risk margin appropriate for the market that the CGU operates in. The discount rates applied ranged from 14.7% (for Panama) to 39.6% (for Angola), with an average of 22.9% and a median of 21.5%. Having completed a review of completed mergers and acquisitions of comparable companies and their respective implied revenue multiples, management have applied comparable revenue multiples from that range, relevant to growth profiles of CGUs. Depending on the relative stage of growth, assumptions of 5 year CAGR growth in revenues ranged from 28% (for the most developed CGU in its most conservative scenario) to 66% (for the least developed CGU in its most aggressive scenario). Estimates of growth in revenue and operating expenses have been prepared based on management's experience of the sector and intimate knowledge of each CGU.

Apart from impairment charges detailed in Note 7 in relation to Kupatana, of the range of scenarios modelled, none of them required impairment.

16. Investments in associates

	2018 $	2017 $
Equity investments at cost	19,488,733	15,532,835
Accumulated share of losses	(11,707,042)	(7,566,633)
Balance at 31 December	7,781,691	7,966,202

On 10 April 2018, the Group entered into a new shareholder agreement affecting its unfettered rights to direct the business activities of Propzy following an investment of US$2,000,000 by an external strategic investor. The Group continues to retain significant influence with an equity holding of 20.41%, a decrease of 8.16% from 28.57% (note 26.3).

Details of the associated companies during the year are as follows:

Name of Operating Company	Principal activities	Country of business/ incorporation	Equity holding		Accounting method at 31 Dec 2018
			As at 31 Dec 2018	As at 31 Dec 2017	
Infocasas	Investment holding	British Virgin Island	31.33%	31.33%	Equity Accounted
Infocasas SA	Operator of online property classifieds portal	Uruguay	31.33%	31.33%	
Relaxed SA	Operator of online property classifieds portal	Paraguay	31.33%	31.33%	
Publicidad e Inmobiliaria IC Bolivia	Operator of online property classifieds portal (infocasas.com.uy)	Bolivia	31.33%	31.33%	
Kupatana AB ("Kupatana")	Online classified advertising, event management, and investment holding	Sweden	33.09 %	29.28 %	Equity Accounted
Kupatana Ltd	Online classified advertising and event management	Tanzania	33.09 %	29.28 %	
Kupatana Ltd	Online classified advertising and event management	Uganda	33.09 %	29.28 %	
Buyandsell Tanzania AB	Online classified advertising and event management	Sweden	33.09 %	29.28 %	
Moteur.MA ("Moteur")	Online classified advertising and event management (Moteur.ma)	Morocco	56.31%	48.67%	Equity Accounted
Propzy	Investment holding	Singapore	20.41%	Subsidiary as at 31 Dec 2017	Equity Accounted
Propzy Vietnam Co. Ltd	Operator of online property classifieds portal	Vietnam	20.41%		
Propzy Services Co. Ltd	Operator of online property classifieds portal	Vietnam	20.41%		
Pakwheels	Investment holding	Singapore	36.84%	36.84%	Equity Accounted
Pakwheels (Private) Ltd	Online classified advertising and event management (PakWheels.com)	Pakistan	36.84%	36.84%	
Zameen	Investment holding	United Kingdom	30.00%	30.00%	Equity Accounted
Zameen Media Pvt Ltd	Online classified advertising and event management (Zameen.com)	Pakistan	30.00%	30.00%	

16. Investments in associates (cont'd)

i) A summary of the Group's investment in associated companies is as follows:

Year ended 31 December 2018	Cost of investment						Share of total comprehensive income					Carrying amount 31-Dec-18
Operating company	1-Jan-18	Addition	Step Acquisition	Impairment	Exchange difference	31-Dec-18	1-Jan-18	Addition	Step Acquisition	Exchange difference	31-Dec-18	
	$	$	$	$	$	$	$	$	$	$	$	$
Zameen	6,185,280	1,554,015	-	-	781,305	8,520,600	(4,545,838)	(1,787,590)	-	(555,405)	(6,888,833)	1,631,767
Propzy	-	1,845,430	-	-	183,286	2,028,716	-	(632,589)	-	(23,720)	(656,309)	1,372,407
Pakwheels	4,510,100	-	-	-	460,250	4,970,350	(1,760,324)	(553,994)	-	(212,240)	(2,526,558)	2,443,792
Kupatana	2,668,741	-	-	(1,625,635)	109,903	1,153,009	(1,013,918)	(81,410)	-	(57,681)	(1,153,009)	-
Infocasas	1,228,036	-	-	-	125,319	1,353,355	(51,173)	(101,411)	-	(10,617)	(163,201)	1,190,154
Moteur	940,678	406,170	-	-	115,855	1,462,703	(195,380)	(97,309)	-	(26,443)	(319,132)	1,143,571
	15,532,835	3,805,615	-	(1,625,635)	1,775,918	19,488,733	(7,566,633)	(3,254,303)	-	(886,106)	(11,707,042)	7,781,691

Year ended 31 December 2017	Cost of investment						Share of total comprehensive income					Carrying amount 31-Dec-17
Operating company	1-Jan-17	Addition	Step Acquisition	Impairment	Exchange difference	31-Dec-17	1-Jan-17	Addition	Step Acquisition	Exchange difference	31-Dec-17	
	$	$	$	$	$	$	$	$	$	$	$	$
Zameen	6,688,963	-	-	-	(503,683)	6,185,280	(2,934,988)	(1,856,770)	-	245,920	(4,545,838)	1,639,442
Pakwheels	4,877,369	-	-	-	(367,269)	4,510,100	(1,455,636)	(420,748)	-	116,060	(1,760,324)	2,749,776
Kupatana	3,266,481	192,939	-	(550,872)	(239,807)	2,668,741	(779,399)	(296,783)	-	62,264	(1,013,918)	1,654,823
Infocasas	-	1,194,014	-	-	34,022	1,228,036	-	(52,329)	-	1,156	(51,173)	1,176,863
Other associates	1,714,049	-	(672,350)	-	(101,021)	940,678	(295,183)	(177,757)	262,047	15,513	(195,380)	745,298
	16,546,862	1,386,953	(672,350)	(550,872)	(1,177,758)	15,532,835	(5,465,206)	(2,804,387)	262,047	440,913	(7,566,633)	7,966,202

16. Investments in associates (cont'd)

ii) The movement of share of total comprehensive income is as follows:

Year ended 31 December 2018											
	Share of associates profit or loss					Share of other comprehensive income					Share of total comprehensive income
Operating Company	1-Jan-18	Addition	Unrealised foreign exchange gain/(loss)	Step Acquisition	31-Dec-18	1-Jan-18	Addition	Step Acquisition	Exchange difference	31-Dec-18	31-Dec-18
	$	$	$	$	$	$	$	$	$	$	$
Zameen	(4,568,270)	(1,552,221)	(1,203,577)	-	(7,324,068)	22,432	968,208	-	(555,405)	435,235	(6,888,833)
Propzy	-	(624,858)	(18,266)	-	(643,124)	-	10,535	-	(23,720)	(13,185)	(656,309)
Pakwheels	(1,885,812)	(538,797)	(496,227)	-	(2,920,836)	125,488	481,030	-	(212,240)	394,278	(2,526,558)
Kupatana	(1,095,850)	(75,301)	(1,955)	-	(1,173,106)	81,932	(4,154)	-	(57,681)	20,097	(1,153,009)
Infocasas	(41,535)	(103,114)	(22,092)	-	(166,741)	(9,638)	23,795	-	(10,617)	3,540	(163,201)
Moteur	(221,610)	(93,757)	-	-	(315,367)	26,230	(3,552)	-	(26,443)	(3,765)	(319,132)
	(7,813,077)	(2,988,048)	(1,742,117)		(12,543,242)	246,444	1,475,862	-	(886,106)	836,200	(11,707,042)

Year ended 31 December 2017											
	Share of associates profit or loss					Share of other comprehensive income					Share of total comprehensive income
Operating Company	1-Jan-17	Addition	Unrealised foreign exchange gain/(loss)	Step Acquisition	31-Dec-17	1-Jan-17	Addition	Step Acquisition	Exchange difference	31-Dec-17	31-Dec-17
	$	$	$	$	$	$	$	$	$	$	$
Zameen	(2,329,085)	(2,277,404)	38,219	-	(4,568,270)	(605,903)	382,415	-	245,920	22,432	(4,545,838)
Pakwheels	(1,396,646)	(385,172)	(103,994)	-	(1,885,812)	(58,990)	68,418	-	116,060	125,488	(1,760,324)
Kupatana	(786,286)	(308,338)	(1,226)	-	(1,095,850)	6,887	12,781	-	62,264	81,932	(1,013,918)
Infocasas	-	(44,175)	2,640	-	(41,535)	-	(10,794)	-	1,156	(9,638)	(51,173)
Other associates	(331,873)	(174,730)	-	284,993	(221,610)	36,690	(3,027)	(22,946)	15,513	26,230	(195,380)
	(4,843,890)	(3,189,819)	(64,361)	284,993	(7,813,077)	(621,316)	449,793	(22,946)	440,913	246,444	(7,566,633)

16. Investments in associates (cont'd)

iii) The tables below provide the summarised financial position of associates that are material to the group. The information disclosed reflects the amounts presented in the financial statements of the relevant associates and not the Company's share of those amounts. They have been amended to reflect adjustments made by the entity when using the equity method, including fair value adjustments (such as amortisation charges of intangible assets identified at investment) and modifications for differences in accounting policy.

The summarised financial position of the associated companies at the period end, are as follows:

31 Dec 18	Assets					Liabilities						
	Current assets			Non-current assets		Current liabilities			Non-current liabilities			
Operating Company	Cash and cash equivalents $	Other current assets $	Total current assets $	Non-current assets $	Intangible assets on investment $	Financial liabilities $	Other current liabilities $	Total current liabilities $	Financial liabilities $	Other non-current liabilities $	Total non-current liabilities $	Net assets $
Zameen	1,956,228	5,153,510	7,109,738	2,098,938	1,241,708	5,334,795	1,769,239	7,104,034	-	-	-	3,346,350
Propzy	360,342	847,844	1,208,186	119,298	1,182,986	1,743,082	140,451	1,883,533	-	-	-	626,937
Pakwheels	30,028	699,225	729,253	206,850	122,993	2,573,677	50,371	2,624,048	-	-	-	(1,564,952)
Kupatana	20,029	170,661	190,690	13,995	-	211,294	-	211,294	-	-	-	(6,609)
Infocasas	395,523	696,124	1,091,647	241,380	481,971	459,607	255,983	715,590	303,802	-	303,802	795,606
Moteur	325,646	280,741	606,387	66,777	33,946	160,243	11,655	171,898	-	-	-	535,212
	3,087,796	7,848,105	10,935,901	2,747,238	3,063,604	10,482,698	2,227,699	12,710,397	303,802	-	303,802	3,732,544

31 Dec 17	Assets					Liabilities						
	Current assets			Non-current assets		Current liabilities			Non-current liabilities			
Operating Company	Cash and cash equivalents $	Other current assets $	Total current assets $	Non-current assets $	Intangible assets on investment $	Financial liabilities $	Other current liabilities $	Total current liabilities $	Financial liabilities $	Other non-current liabilities $	Total non-current liabilities $	Net assets $
Zameen	2,088,561	3,542,955	5,631,516	1,724,147	1,935,467	3,470,348	-	3,470,348	-	-	-	5,820,782
Pakwheels	212,885	1,095,306	1,308,191	280,303	269,331	1,833,029	-	1,833,029	-	-	-	24,796
Kupatana	48,759	150,277	199,036	69,070	155,953	122,737	-	122,737	-	-	-	301,322
Infocasas	748,576	413,471	1,162,047	179,677	594,108	610,802	-	610,802	269,218	-	269,218	1,055,812
Other associates	159,714	238,830	398,544	60,896	49,672	98,827	-	98,827	-	-	-	410,285
	3,258,495	5,440,839	8,699,334	2,314,093	3,004,531	6,135,743	-	6,135,743	269,218	-	269,218	7,612,997

16. Investments in associates (cont'd)

The summarised financial performance of associated companies for the financial year, are as follows:

	2018					2017				
Operating Company	Net loss before unrealised foreign exchange gain/(loss) $	Unrealised foreign exchange gain/(loss) $	Other comprehensive income $	Amortisation of intangible assets $	Total comprehensive income $	Net loss before unrealised foreign exchange gain/(loss) $	Unrealised foreign exchange gain/(loss) $	Other comprehensive income $	Amortisation of intangible assets $	Total comprehensive income $
Zameen	(4,334,337)	(4,011,922)	3,227,359	(839,734)	(5,958,634)	(6,772,063)	127,398	1,274,718	(819,287)	(6,189,234)
Propzy	(3,396,175)	(98,643)	58,832	(292,910)	(3,728,896)	-	-	-	-	-
Pakwheels	(1,298,763)	(1,346,978)	1,305,729	(163,772)	(1,503,784)	(885,742)	(282,286)	185,715	(159,784)	(1,142,097)
Kupatana	(352,952)	4,756	(11,367)	(28,831)	(388,394)	(943,791)	(3,960)	41,033	(54,159)	(960,877)
Infocasas	(158,375)	(70,515)	67,979	(162,775)	(323,686)	(232,103)	8,474	(9,177)	(52,261)	(285,067)
Other associates										
- Step acquisition	-	-	-	-	-	(78,129)	-	(59,538)	(18,201)	(155,868)
- Others	(161,311)	-	(7,113)	(19,594)	(188,018)	(205,455)	-	35,699	(19,116)	(188,872)
	(9,701,913)	(5,523,302)	4,641,419	(1,507,616)	(12,091,412)	(9,117,283)	(150,374)	1,468,450	(1,122,808)	(8,922,015)

Total revenue generated by operating entities in the period during which they were accounted by the Group as associate companies was $28,907,208 (2017: $15,181,372).

Associated companies reported using the equity accounting method at the year end generated full year revenues of $29,002,306 (2017: $15,908,880) as follows:

Operating Company	2018 $	2017 $	
Zameen	22,405,297	12,366,561	
Propzy	1,287,290	-	*Controlled entity acquired on 1 June 2017. Accounted for as an associate company from 10 April 2018.*
Pakwheels	2,034,576	1,847,756	
Kupatana	89,300	137,859	
Infocasas	2,812,271	1,356,652	
Other associates	373,572	200,052	
	29,002,306	15,908,880	

17. Investment in subsidiaries

The group's principal subsidiaries at 31 December 2018 are set out below. Unless otherwise stated, share capital consisted solely of ordinary shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

Changes in equity interest in subsidiaries during the year ended 31 December 2018 are laid out in note 25.

Name of Operating Company	Principal activities	Country of business/ incorporation	Equity holding as Subsidiary	
			As at 31 Dec 2018	As at 31 Dec 2017
Frontier Digital Ventures Pte Ltd ("FDVSG")	Investment holding	Singapore	100.00%	100.00%
Frontier Digital Ventures Sdn Bhd ("FDVMY")	Management services	Malaysia	100.00%	100.00%
Afribaba	Investment holding *(Struck off on 7 Jan 2019)*	Singapore	100.00%	100.00%
Autodeal	Investment holding	Singapore	36.84%	33.33%
The Sirqo Group, Inc.	Operator of online car classifieds portals	Philippines	36.84%	33.33%
Carwangu	Investment holding	Singapore	-	60.05%
Carwangu RDC SARL	Operator of online car classifieds portals	Republic of Congo	-	60.05%
CasaMozambique	Investment holding	Mauritius	-	41.67%
Casa Mozambique Limitida	Online classified advertising and event management	Mozambique	-	41.67%
Encuentra24	Operator of online general classifieds portals	Switzerland	42.07%	42.07%
Swiss Panama Group, Corp	Operator of online general classifieds portals	Panama	42.07%	42.07%
Encuentra24.com Classificados S.A.	Operator of online general classifieds portals	Panama	42.07%	42.07%
Encuentra24.com Nicaragua S.A.	Operator of online general classifieds portals	Nicaragua	42.07%	42.07%
Encuentra Veinticuatro.com SA	Operator of online general classifieds portals	Costa Rica	42.07%	42.07%

17. Investment in subsidiaries (cont'd)

Name of Operating Company	Principal activities	Country of business/ incorporation	Equity holding as Subsidiary	
			As at 31 Dec 2018	As at 31 Dec 2017
Hoppler	Investment holding	Singapore	40.23%	20.59%
The Hoppler, Inc.	Operator of online property classifieds portal	Philippines	40.23%	20.59%
iMyanmar	Investment holding	Singapore	42.63%	42.63%
iMyanmar Co. Ltd	Operator of online property classifieds portal	Myanmar	42.63%	42.63%
iMyanmarHouse Co., Ltd	Operator of online property classifieds portal	Myanmar	42.63%	-
Lanka Property Web (Private) Limited	Operator of online property classifieds portal	Sri Lanka	47.76%	47.76%
Meqasa	Operator of online property classifieds portal	Singapore	80.77%	86.20%
Meqasa Limited	Operator of online property classifieds portal	Ghana	80.77%	86.20%
Propzy	Investment holding	Singapore	-	28.57%
Propzy Vietnam Co., Ltd	Operator of online property classifieds portal	Vietnam	-	28.57%
Propzy Services Co., Ltd.	Operator of online property classifieds portal	Vietnam	-	28.57%
Rebbiz ("CarsDB")	Investment holding	Singapore	64.81%	76.48%
Rebbiz Co Ltd	Operator of online car classifieds portals	Myanmar	64.81%	76.48%
TechAfrica	Operator of online property and car classifieds portals	Angola	75.00%	75.00%
Tolet	Investment holding	Singapore	39.48%	39.48%
Tolet.com.ng limited	Operator of online property classifieds portal	Nigeria	39.48%	39.48%

18. Related party advances

	2018	2017
	$	$
Non-trade amount due to:		
- other related parties	5,467	54,641

Non-trade amounts due to related parties are unsecured, interest free and repayable on demand.

19. Trade and other payables

	2018 $	2017 $
Trade payables	349,406	505,114
Other payables	609,748	622,438
Accruals	981,518	667,277
	1,940,672	1,794,829

20. Contingent consideration

	2018 $	2017 $
Current		
Contingent consideration	124,999	562,237

Contingent consideration consists of US$88,021 (AUD equivalent $124,999) paid to the vendor of Afribaba on 24 January 2019 upon the complete liquidation of the legal entities in the Afribaba Group. This liability is recognised at Fair Value through Profit or Loss.

21. Borrowings

Non-current borrowings of $182,178 (2017: $165,308) consist of a loan of USD128,285 (2017: USD128,285) which is non-interest bearing and is contingent upon the sale of Encuentra24.

22. Share capital

	2018 Shares	2017 Shares	2018 $	2017 $
Fully paid ordinary shares				
At 1 January	220,657,967	216,067,976	60,118,042	57,717,472
Issued for cash	22,157,668	-	14,402,484	-
Issued for business combinations	-	3,171,069	-	1,733,441
Issued to employee	1,304,727	1,418,922	707,984	713,350
	244,120,362	220,657,967	75,228,510	60,164,263
Less: Transaction costs	-	-	(1,058,716)	(46,221)
At 31 December	244,120,362	220,657,967	74,169,794	60,118,042

Fully paid ordinary shares carry one vote per share and carry a right to dividends as and when declared by the Company.

During the financial year ended 31 December 2018, through a fully underwritten entitlement offer to eligible shareholders, 22,157,668 ordinary shares were issued for cash of $14,402,484.

In the same period, 1,198,099 (2017: 1,163,824) ordinary shares were issued to employees as share based payments with a value of $640,593 (2017: $583,250) of which 1,025,000 (2017: 1,030,000) shares with a value of $512,500 (2017: $515,000) were issued upon the exercise of employee Share Rights. A further 106,628 (2017: 245,098) ordinary shares were issued to Directors as share based payments with a value of $67,390 (2017: $125,000).

During the financial year ended 31 December 2017, 3,171,069 ordinary shares with a value of $1,733,441 were issued as purchase consideration for the acquisition of business combinations. Of the shares issued, 212,948 shares with a value of $106,474 were issued for the acquisition of LankaPropertyWeb acquired in financial year ended 31 December 2016. The remaining 2,958,121 with a value of $1,626,967 were issued for the acquisition of Autodeal.

23. Share based payments

	Note	2018 $	2017 $
Executive incentive plan	22	128,093	68,250
Amortisation of employee share rights		255,938	614,118
Remuneration for Non-Executive Directors		48,868	146,231
Payment for work performed during the IPO process		-	5,100
Total		432,899	833,699

24. Financial risk management

This note explains the Group's exposure to financial risks and how these risks could affect the group's future financial performance. Current year profit and loss information has been included where relevant to add further context.

Risk	Exposure arising from	Measurement	Management
Market risk – foreign exchange	Future investments not denominated in Australian dollars Recognised financial assets and liabilities not denominated in Australian dollars	Cash flow forecasting Sensitivity analysis	Holding US Dollars Forward foreign exchange contracts when appropriate Dual currency deposits
Market risk – interest rate	Return on cash deposits	Rolling forecasts of free cashflows	Periodic comparison of rates and diversification of bank deposits
Credit risk	Cash and cash equivalents, trade and other receivables	Debtor Aging analysis Credit ratings	Diversification of bank deposits and credit limits
Liquidity risk	Liabilities	Rolling cash flow forecasts	Availability of cash and reserves

The Group's activities are exposed to a variety of financial risks arising from their operations and the use of financial instruments. The key financial risks include foreign currency risk, and liquidity risk. The Group's corporate treasury function identifies and evaluates financial risks in close co-operation with the Group's operating units.

The Group's overall financial risk management objective is to optimise value for their shareholders. The Group does not trade in financial instruments. The Board of Directors reviews and agrees to policies and procedures for the management of these risks, which are executed by the Group's senior management.

The following table analyses the fair value of the financial instruments in the statements of financial position by the classes of financial instruments to which they are assigned:

	2018 $	2017 $
Financial assets		
Cash and cash equivalents	19,273,330	12,751,409
Term deposits	24,224	43,157
Trade and other receivables	2,089,583	1,645,736
Other financial assets	888,920	386,580
	22,276,057	14,826,882
Financial liabilities		
Related party advances	5,467	54,641
Trade and other payables	1,940,672	1,794,829
Finance lease liabilities	1,628	5,962
Contingent consideration	124,999	562,237
Contingent liability	-	216,656
Borrowings	182,178	314,926
	2,254,944	2,949,251

24. Financial risk management (cont'd)

(a) Foreign currency risk

Foreign currency risk is the risk of fluctuation in fair value or future cash flows of a financial instrument as a result of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's net investments in foreign subsidiaries, which is predominantly denominated in United States Dollars (USD).

The Group carries a significant exposure to movements in the currency exchange rates between the United States Dollar (USD) and the Australian Dollar (AUD). Most acquisitions are denominated in USD and USD is the functional currency of the intermediate holding company of the Group as well as a number of significant subsidiaries.

There is no other material exposure to foreign currency risks within the financial assets and financial liabilities outside of each operating entity's functional currency, and as such no foreign currency exposure arises. However, the translation of these foreign entities' results from their respective non-Australian dollar functional currencies into the Australian dollar presentation currency of the Group represents a foreign currency reporting risk to the Group.

A 5% movement in the average exchange rate of the USD over the course of the year would have impacted earnings by $409,749 (2017: $720,488) and a 5% movement in the spot rate of the USD would have impacted cash and cash equivalents reported at the year end by $317,790 (2017: $507,662).

Management has set up a practise to monitor changes in foreign exchange rates on an ongoing basis. The Group also takes advantage of any natural effects of its foreign currencies revenues and expenses by maintaining current accounts in foreign currencies.

(b) Interest rate risk management

The Group's exposure to interest rate risk is limited to the movement in interest rate in terms of its cash held at bank.

Interest rate sensitivity
If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Group's profit for the year ended 31 December 2018 would increase/decrease by $74,808 (2017: $87,330). This is mainly attributable to the Group's exposure to interest rates on its cash held at bank. The Group earned $304,145 in interest income (2017: $197,715) which is an average annual return of 1.79% (2017: 1.24%) on its average cash balance for the year.

(c) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group adopted a policy of generally dealing with reputable counterparties as a means of mitigating the risk of financial loss from defaults.

Trade receivables consist of a large number of customers and ongoing credit evaluation is performed on the accounts regularly. The Group does not have any significant credit risk exposure to any single counterparty or any group of counterparties. The carrying amount of financial assets recorded in the financial statements, net of any allowance for losses, represents the Group's maximum exposure to credit risk.

The Group measures the loss allowance for trade receivables at an amount equal to lifetime ECL. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position. However, due to the short trading history of the Group, the information available on past default experience is limited. The expected credit losses on trade receivables is further adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

24. Financial risk management (cont'd)

(d) Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders by maintaining an optimal capital structure. In order to do so, the Group may adjust the amount of dividend payment, return capital to shareholders, issue new shares, buy back issued shares, obtain new borrowings or sell assets to reduce borrowings.

The Group had no borrowings as at the end of the financial year.

(e) Liquidity risk management

Liquidity risk is the risk that the Group may encounter difficulty in meeting financial obligations as they fall due. The Group's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's liquidity risk management policy is to monitor and maintain a level of cash and cash equivalents deemed adequate for the management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

Ultimate responsibility for liquidity risk management rests with the Board of Directors, who have built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements.

25. Business Combinations

25.1 Controlled entities

There were no acquisitions nor new business combinations during the year.

25.1.1 Increase in Equity Interest and other transactions with Controlled Entities

(a) Autodeal

Upon the achievement of certain operational targets by 31 December 2017, the Group paid $500,000 on 2 May 2018 to Autodeal in exchange for 9,375 shares, increasing the Group's equity interest by 3.51% to 36.84% of the total issued shares of Autodeal.

(b) CarsDB

In December 2018, CarsDB successfully raised US$700,000 (AUD equivalent $973,980) from two external investors. With the successful completion of the external funding round and additional grant of performance shares to the founders of CarsDB, the Group's equity interest in CarsDB has been diluted from 76.48% to 64.81%.

(c) Hoppler

Upon the achievement of certain operational targets by 5 October 2018, the Group received 239,546 shares in exchange for consideration of US$1,030,000 (AUD equivalent $1,423,151), of which US$130,000 was paid to vendor shareholders, US$500,000 was paid to Hoppler during the year and the remaining US$400,000 is due to be paid to Hoppler in April 2019. The Group's equity interest increased by 19.64% to 40.23% of the total issued shares of Hoppler.

25. Business Combinations (cont'd)

25.1 Controlled entities (cont'd)

25.1.1 Increase in Equity Interest and other transactions with Controlled Entities (cont'd)

(d) Employee Share Ownership Plans (ESOPs)

On 28 November 2018 and 15 December 2018, ESOPs were offered to the founders of Meqasa and TechAfrica, respectively.

Entitlement to shares in the Operating Entities will vest if the participant remains employed by the Operating Entity on the vesting date.

Meqasa

Tranche	Entitlement date	Number of ESOP shares	Vesting date	Group equity holding after ESOP vested
First	28 November 2018	79,585	15 December 2018	80.77%
Second	16 December 2018	95,498	15 December 2019	75.09%
Third	16 December 2019	111,419	15 December 2020	69.40%

Upon vesting of the first tranche, the Group's equity interest in Meqasa has decreased from 86.20% to 80.77%.

TechAfrica

Tranche	Entitlement date	Number of ESOP shares	Vesting date	Group equity holding after ESOP vested
First	15 December 2018	10	15 December 2018	75.00%
Second	16 December 2018	13	15 December 2019	70.42%
Third	16 December 2019	16	15 December 2020	65.50%
Fourth	16 December 2020	19	15 December 2021	60.48%
Fifth	16 December 2021	22	15 December 2022	55.56%

Upon vesting of the first tranche, the Group's equity interest in TechAfrica has decreased from 75.00% to 70.59%. On the same date, the Group capitalised USD116,071 of the outstanding convertible loan note (note 30) for 30 shares, resulting in the Group continuing to hold 75.00% of the equity interest as at 31 December 2018.

25. Business Combinations (cont'd)

25.1 Controlled entities (cont'd)

25.1.2 Controlled entities acquired in the year ended 31 December 2017

During the financial year ended 31 December 2017, the group gained accounting control of the following groups of companies (collectively referred to as "Operating Companies") either via step acquisition, whereby the investments were previously reported in the results of the Group using the equity accounting method, or via new investments.

	Note	Autodeal $	Casa Mozambique $	Hoppler $	Propzy $	Total $
Fair value of consideration transferred						
Cash and cash equivalents		1,500,000	-	895,860	1,081,200	3,477,060
Shares issued		1,626,967	-	-	-	1,626,967
Total consideration		3,126,967	-	895,860	1,081,200	5,104,027
Fair value of previously held equity interest		-	586,717	-	-	586,717
		3,126,967	586,717	895,860	1,081,200	5,690,744
Allocation of purchase consideration						
Cash and bank balances		1,227,581	(6,398)	511,933	1,159,126	2,892,242
Current tax liabilities		-	(134)	-	-	(134)
Net deferred tax liabilities on fair value of intangible assets acquired		-	-	-	(102,734)	(102,734)
Brand	14	435,546	63,001	303,566	961,988	1,764,101
Software development cost	14	459,825	-	-	427,562	887,387
Website development cost	14	655,361	101,470	288,909	373,374	1,419,114
Plant and equipment	13	28,295	8,368	15,841	-	52,504
Trade and other receivables		213,334	149,361	101,678	26,712	491,085
Trade and other payables		(229,510)	(195,712)	(246,342)	(191,870)	(863,434)
Borrowings		(352,268)	-	(157,194)	-	(509,462)
Less: Non-controlling interest's share of net assets		(1,625,433)	(69,970)	(649,900)	(2,095,388)	(4,440,691)
Goodwill	15	2,314,236	536,731	727,369	522,430	4,100,766
Total identifiable net assets acquired as per 2017 disclosure		3,126,967	586,717	895,860	1,081,200	5,690,744

The Group had up to twelve months from the date of acquisition to complete its initial acquisition accounting. Changes to the initial acquisition accounting for Hoppler are shown below:

	2017 disclosure $	Hoppler Changes in 2018 $	Final Disclosure $
Total identifiable net assets acquired as per 2017 disclosure	895,860	895,860	895,860
<u>Allocation of purchase consideration changed in 2018</u>			
Trade and other payables - Deferred revenue	(246,342)	(25,740)	(272,082)
Less: Non-controlling interest's share of net assets	(649,900)	20,441	(629,459)
Goodwill	727,369	5,299	732,668
Revised identifiable net assets acquired	895,860	895,860	895,860

26. Discontinued operations

During the year there were disposals and deemed disposals of three controlled entities, generating gains and losses on disposal as follows:

	Disposal		Deemed Disposal	
	Carwangu $	Casa Mozambique $	Propzy $	Total $
Cash consideration received	3	1	1,845,430	1,845,434
Less: Net assets at disposed	(18,049)	188,107	(1,128,569)	(958,511)
Less: Reclassification of foreign currency translation reserve	(7,854)	1,105	(175,188)	(181,937)
Gain/(Loss) on disposal	**(25,900)**	**189,213**	**541,673**	**704,986**
Net assets at disposal				
Cash at bank	636	16,072	122,834	139,542
Trade and other receivables	-	51,218	362,195	413,413
Deposits	-	-	52,583	52,583
Prepayments	-	-	36,810	36,810
Property, plant and equipment	-	-	61,749	61,749
Other intangible assets	-	-	1,353,871	1,353,871
Goodwill	-	-	499,353	499,353
Trade and other payables	-	(297,538)	(333,760)	(631,298)
Accruals	-	(323)	(1,091)	(1,414)
Borrowings	-	-	(452,130)	(452,130)
Deferred tax liabilities	-	-	(78,897)	(78,897)
Non-controlling interests	17,413	42,464	(494,948)	(435,071)
	18,049	**(188,107)**	**1,128,569**	**958,511**

26.1 Disposal of Carwangu

On 21 January 2018, the Group disposed of its equity interest in Carwangu of 60.05% for cash consideration of US$2 (AUD equivalent of $3). This generated a loss on disposal of $25,900.

Financial performance and cash flow information up to and including the date of disposal.

	Period ended 21 January 2018 $	Year ended 31 December 2017 $
Revenue	-	1,433
Administrative expenses	-	(1,621)
Employment expenses	-	(62,711)
Advertising and marketing expenses	-	(34,700)
Premises and infrastructure expenses	-	(17,077)
Unrealised foreign exchange loss	-	(67)
Depreciation and amortisation	-	(10,182)
Loss before income tax	-	(124,925)
Income tax expense	-	-
Net loss after tax from discontinued operation	-	(124,925)
Loss on disposal after income tax	(25,900)	-
Net loss from discontinued operation	(25,900)	(124,925)
Net cash outflow from operating activities	-	(120,850)
Net cash inflow from investing activities	3	-
Net increase/(decrease) in cash generated	3	(120,850)

26. Discontinued operations (cont'd)

26.2 Disposal of CasaMozambique

On 9 February 2018, the Group disposed of its equity interest in CasaMozambique of 41.67% for cash consideration of US$1 (AUD equivalent of $1). This generated a gain on disposal of $189,213.

Financial performance and cash flow information up to and including the date of disposal.

	Period ended 9 February 2018 $	Year ended 31 December 2017 $
Revenue	-	165,371
Administrative expenses	-	(38,023)
Employment expenses	-	(164,898)
Advertising and marketing expenses	-	(22,188)
Premises and infrastructure expenses	-	(95,288)
Other income	-	13,532
Unrealised foreign exchange loss	-	(19,133)
Depreciation and amortisation	-	(10,448)
Loss before income tax	-	(171,075)
Income tax expense	-	(315)
Net loss after tax from discontinued operation	-	(171,390)
Gain on disposal after income tax	189,213	-
Net gain/(loss) from discontinued operation	189,213	(171,390)
Net cash inflow from operating activities	-	23,277
Net cash outflow from investing activities	1	(6,375)
Net increase in cash generated	1	16,902

26.3 Deemed disposal of Propzy

Upon investment of US$2,000,000 by an external strategic investor into Propzy on 10 April 2018, the Group entered into a new shareholder agreement affecting its unfettered rights to direct the business activities of the operating entity. As such, a disposal of the operating entity was deemed to have occurred generating a gain on deemed disposal of $541,673.

Financial performance and cash flow information up to and including the date of disposal.

	Period ended 10 April 2018 $	Year ended 31 December 2017 $
Revenue	105,116	681,429
Administrative expenses	(78,910)	(214,002)
Employment expenses	(410,374)	(815,884)
Advertising and marketing expenses	(98,593)	(508,044)
Premises and infrastructure expenses	(117,752)	(144,190)
Other (expenses)/income	(20,592)	342
Unrealised foreign exchange loss	(9,148)	14,163
Depreciation and amortisation	(105,433)	(224,149)
Loss before income tax	(735,686)	(1,210,335)
Income tax credit	6,144	13,062
Net loss after tax from discontinued operation	(729,542)	(1,197,273)
Gain on disposal after income tax	541,673	-
Net loss from discontinued operation	(187,869)	(1,197,273)
Net cash outflow from operating activities	(413,674)	(579,327)
Net cash inflow from investing activities	-	1,127,864
Net cash inflow/(outflow) from financing activities	449,210	(428,106)
Net increase in cash generated	35,536	120,431

26. Discontinued operations (cont'd)

26.4 Disclosure of discontinued operations in comparative statement of comprehensive income

The following comparative items in the consolidated statement of comprehensive income have been restated for discontinued operations:

	Originally reported 31 Dec 2017 $	Disposals in the year ended 31 Dec 2018 $	Restated 31 Dec 2017 $
Revenue	10,041,144	(848,233)	9,192,911
Administrative expenses	(1,981,472)	253,646	(1,727,826)
Offline production costs	(1,094,023)	94,341	(999,682)
Employment expenses	(6,756,545)	1,043,493	(5,713,052)
Advertising and marketing expenses	(5,405,573)	564,932	(4,840,641)
Premises and infrastructure expenses	(1,738,016)	162,214	(1,575,802)
Transaction advisory costs	(313,002)	-	(313,002)
Other income	165,815	(21,803)	144,012
Unrealised foreign exchange (loss)/gain	(3,171,200)	5,037	(3,166,163)
Depreciation and amortisation	(1,978,043)	244,779	(1,733,264)
Operating loss from continuing operations	**(12,230,915)**	**1,498,406**	**(10,732,509)**
Interest income	197,715	7,929	205,644
Interest expense	(4,274)	-	(4,274)
Impairment of loan and investment in associate	(550,872)	-	(550,872)
Impairment of goodwill, intangibles, property, plant and equipment	(1,789,406)	-	(1,789,406)
Share of net loss of associates			
- Share of net loss before foreign exchange loss	(3,578,956)	-	(3,578,956)
- Share of foreign exchange gain	324,776	-	324,776
	(3,254,180)	-	(3,254,180)
Loss before income tax	**(17,631,932)**	**1,506,335**	**(16,125,597)**
Income tax expense	(17,696)	(12,747)	(30,443)
Net loss from continuing operations	**(17,649,628)**	**1,493,588**	**(16,156,040)**
Net loss after tax from discontinued operation	(351,172)	(1,493,588)	(1,844,760)
Gain on deemed disposal of Associates	175,484	-	175,484
Net loss after tax	**(17,825,316)**	**-**	**(17,825,316)**
Other comprehensive income, net of tax			
Items that may be reclassified to profit or loss			
Exchange differences on translation of foreign operations	(567,350)	20,155	(547,195)
Other comprehensive income arising from discontinued operation	-	(80,219)	(80,219)
Share of other comprehensive income of associates	449,793	60,064	509,857
Other comprehensive income for the period, net of tax	(117,557)	-	(117,557)
Total comprehensive income for the year	**(17,942,873)**	**-**	**(17,942,873)**

27. Comparative adjustment of consolidated statement of financial position

During the financial year, it was identified that a formula error existed when calculating the goodwill associated with the step acquisition of iMyanmarhouse that occurred on 26 August 2016. Accordingly, it was determined that a restatement was required in the financial statements of the consolidated entity. In the current year the goodwill and opening retained earnings have been restated by $918,274. There is no impact to the Consolidated Statement of Comprehensive Income or Consolidated Statement of Cash Flows.

The impact on the comparative period disclosures of this restatement are as follows:

	Originally Reported 31 Dec 2017 $	Restatement Adjustment $	Restated 31 Dec 2017 $
ASSETS			
Total current assets	**15,345,327**	**-**	**15,345,327**
Non-current assets			
Property, plant and equipment	532,027	-	532,027
Other intangible assets	8,618,366	-	8,618,366
Goodwill	15,546,551	918,274	16,464,825
Investments in Associates	7,966,202	-	7,966,202
Total non-current assets	**32,663,146**	**918,274**	**33,581,420**
Total assets	**48,008,473**	**918,274**	**48,926,747**
LIABILITIES			
Total current liabilities	**3,119,922**	**-**	**3,119,922**
Total non-current liabilities	**291,810**	**-**	**291,810**
Total liabilities	**3,411,732**	**-**	**3,411,732**
NET ASSETS	**44,596,741**	**918,274**	**45,515,015**
EQUITY			
Share capital	60,118,042	-	60,118,042
Reserves	657,368	-	657,368
Accumulated losses	(20,192,669)	918,274	(19,274,395)
	40,582,741	918,274	41,501,015
Non-controlling interests	4,014,000	-	4,014,000
TOTAL EQUITY	**44,596,741**	**918,274**	**45,515,015**

	Originally reported 1 Jan 2018 $	Adjustment $	Restated 1 Jan 2018 $
Accumulated losses	**(20,192,669)**	**918,274**	**(19,274,395)**

28. Notes to the statement of cash flows

	2018 $	2017 $
Cash flows from operating activities		
Net loss before tax	(10,226,900)	(17,834,888)
Adjustments for:		
Amortisation of intangible assets	2,956,555	1,965,984
Depreciation	208,657	167,018
Impairment of loan to and investment in associate	1,827,623	550,872
Loss allowance on doubtful debts	27,259	-
Impairment loss on goodwill, intangibles, property, plant and equipment	-	1,789,406
Loss on disposal of property, plant and equipment	-	983
Property, plant and equipment written off	4,980	8,237
Net foreign exchange difference	(3,543,485)	3,173,173
Share of loss of associates	4,730,165	3,254,180
Interest income	(304,145)	(197,715)
Interest expense	10,752	4,274
Non-cash employee benefits expense – share based payments	432,899	829,984
Consideration for cancellation of call option	(1,891,568)	-
Gain on disposal and deemed disposal of Associates and Controlled Entities	(704,986)	(302,213)
	(6,472,194)	(6,590,705)
Change in operating assets and liabilities, net of effects from purchase of controlled entities:		
Trade and other receivables	(360,469)	(521,154)
Trade and other payables	316,438	(89,427)
Cash used in operations	(6,516,225)	(7,201,286)
Interest paid	(10,752)	(4,274)
Interest received	261,408	197,408
Net cash used in operating activities	**(6,265,569)**	**(7,008,152)**

29. Unexercised call options

At the date of this report, there were unexercised call options in the following operating companies.

Operating companies	Option expiring	Consideration US$	Increase in shareholding %	Group equity holding % after exercise of option
Infocasas	November 2019	Multiple of trailing twelve month revenue	19.67%	51%

30. Convertible loan notes

As the year end, there were convertible loan notes held in the following operating entities.

Operating companies	Conversion prior to Maturity Date	Consideration US$	Interest rate per annum	Balance for conversion at Year End	Current shareholding %	Maximum Group equity holding % after conversion
TechAfrica	2 November 2022	440,000	10%	404,722	75.00%	87.80%
Pakwheels	3 October 2022	600,000	10%	625,956	36.84%	Variable*

**Note 12 – Other financial assets*

31. Related party transactions

	2018 $	2017 $
Catcha Group		
Increase in loan	(162,058)	(54,752)
Repayment of loan	211,589	-
Mertons Corporate Services Pty Ltd		
Company secretarial fees	63,334	60,840

Related Party advances as at 31 December 2018 consist of $5,467 (2017: $54,641) due to Catcha Group.

As at the year end, Catcha Group held more than 20% of the issued share capital (2017: more than 20%).

Mark Licciardo was engaged as both Director and Company Secretary through Mertons Corporate Services Pty Ltd. Included in accruals at the year end was $5,202 (2017: $30,103) due to Mertons Corporate Services Pty Ltd.

By an agreement between the Company and each of the Non-Executive Directors, the Non-Executive Directors have agreed to provide services to the Company. As detailed in the Company prospectus the Non-Executive Directors will be remunerated by a mixture of cash and shares.

The remuneration of Non-Executive Directors for the year ended 31 December 2018 includes $60,000 (2017: $78,523) in respect of 100,000 (2017: 125,027) shares which have not yet been issued to Non-Executive Directors. The issue of these shares to Non-Executive Directors is subject to shareholder approval at the next annual general meeting.

	2018			2017		
	Shares issued	Shares vested but not issued	Total	Shares issued	Shares vested but not issued in 2017	Total
David Baxby	69,577	-	69,577	245,098	88,281	333,379
Mark Licciardo	37,051	100,000	137,051	-	36,746	36,746
	106,628	100,000	206,628	245,098	125,027	370,125

There were no other transactions between the Group and other related party other than employment expenses paid to key management personnel as disclosed in Note 32.

32. Key management personnel compensation

(a) Key management personnel compensation

The aggregate compensation made to key management personnel of the Group is set out below:

	2018 $	2017 $
Director fees		
- current year	180,000	174,849
- over provision in prior year	(11,674)	-
	168,326	174,849
Other key management personnel		
Salaries and wages	936,302	891,571
Employer statutory contribution and pension related	41,646	36,378
Equity settled share-based payments	428,902	672,564
	1,575,176	1,775,362

The share based payment expense primarily relates to employee share rights, as described in Note 23 and the Remuneration Report on pages 10 to 18.

On 26 August 2016 3,150,000 share rights were granted to employees of the Group, 3,000,000 of those rights were granted to key management personnel. There were no new share rights granted in 2017 and 2018.

(b) Share based payments

Name	Date of Grant	Balance of Rights Not Exercised at 1 Jan 2018	Share Rights Granted No.	Vesting condition - Continued employment as at dates below	Vesting and Exercise Date	Vested Number	Vested %	Unvested Rights at date of report No.
Shen Loh Lim	26 Aug 2016	-	600,000	31 Dec 2016	11 Jan 2017	600,000	100%	-
	26 Aug 2016	600,000	600,000	31 Dec 2017	15 Jan 2018	600,000	100%	-
	26 Aug 2016	600,000	600,000	31 Dec 2018	14 Jan 2019	600,000	100%	-
		1,200,000	1,800,000			1,800,000		-
Shiao Chan	26 Aug 2016	-	100,000	30 Jun 2017	11 Jul 2017	100,000	100%	-
	26 Aug 2016	120,000	120,000	30 Jun 2018	11 Jul 2018	120,000	100%	-
	26 Aug 2016	140,000	140,000	30 Jun 2019		-	0%	140,000
		260,000	360,000			220,000		140,000
Marco Rampazzo	26 Aug 2016	-	120,000	31 Dec 2016	11 Jan 2017	120,000	100%	-
	26 Aug 2016	120,000	120,000	31 Dec 2017	15 Jan 2018	120,000	100%	-
	26 Aug 2016	120,000	120,000	31 Dec 2018	14 Jan 2019	120,000	0%	-
		240,000	360,000			360,000		-

The statement of comprehensive income includes the amortisation of employee share rights amounting to $255,938 (2017: $614,118). The expense relating to the amortisation of these share rights in future years is expected to be as follows: 2019: $26,131.

33. Parent entity disclosures

The accounting policies of the parent entity (Frontier Digital Ventures Ltd), which have been applied in determining the financial information shown below, are the same as those applied in the consolidated financial statements. Refer to Note 2 for a summary of the significant accounting policies relating to the Group.

	Parent	
	2018 $	2017 $
Financial position		
ASSETS		
Current assets		
Cash and cash equivalents	4,408,161	350,829
Investment in short term cash deposits	-	-
Trade and other receivables	229,707	125,643
Related party advances	47,975,753	40,070,562
Total current assets	52,613,621	40,547,034
Non-current assets		
Investments in subsidiaries	16,573,461	16,573,461
Total assets	**69,187,082**	**57,120,495**
LIABILITIES		
Current liabilities		
Trade and other payables	171,680	343,621
Total current liabilities	171,680	343,621
Total liabilities	171,680	343,621
NET ASSETS	**69,015,402**	**56,776,874**
EQUITY		
Share capital	74,169,794	60,118,042
Reserves	543,869	740,431
Accumulated losses	(5,698,261)	(4,081,599)
TOTAL EQUITY	**69,015,402**	**56,776,874**
Financial performance		
Loss of the parent entity	(1,616,662)	(2,742,616)
Total comprehensive loss	**(1,616,662)**	**(2,742,616)**

34. Auditors' remuneration

	2018 $	2017 $
Remuneration of the auditor of the parent entity for:		
a) Auditing or reviewing the financial report		
Deloitte Touche Tohmatsu Australia	219,650	-
PricewaterhouseCoopers Australia	-	319,300
b) Auditing the financial statements		
Network firms of Deloitte Touche Tohmatsu Australia	50,750	-
Network firms of PricewaterhouseCoopers Australia	-	70,209
Total auditors' remuneration	270,400	389,509

35. Commitments

At the reporting date, the Group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2018 $	2017 $
Within one year	202,979	86,758
Later than one year but not later than five years	144,322	100,688
Total	347,301	187,446

36. Contingencies

Various claims arise in the ordinary course of business against Frontier Digital Ventures Limited and its subsidiaries. The amount of the liability (if any) at 31 December 2018 cannot be ascertained and the Directors believe that any resulting liability would not materially affect the financial position of the Group.

37. Subsequent events

There have been no transactions or events of a material and unusual nature between the end of the reporting period and the date of this report that will, in the opinion of the Directors of the Company, significantly affect the operations of the consolidated entity, the results of those operations, or state of affairs of the consolidated entity in future years.

DIRECTORS' DECLARATION

In accordance with a resolution of the Directors of Frontier Digital Ventures Limited, the Directors declare that:

1. In the opinion of the Directors:

    (a) The financial statements and notes of Frontier Digital Ventures Limited for the financial year ended 31 December 2018:

        (i) Giving a true and fair view of the financial position and performance of the Group

        (ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*

    (b) The financial statements and notes also comply with International Financial Reporting Standards as disclosed in Note 2

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

2. This declaration has been made after receiving the declarations required to be made to the Directors in accordance with section 295A of the Corporations Act 2001 for the financial year ended 31 December 2018.

On behalf of the Board,

....
Anthony Klok
Chairman

Deloitte Touche Tohmatsu
ABN 74 490 121 060

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Independent Auditor's Report to the Members of Frontier Digital Ventures Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Frontier Digital Ventures Limited (the "Company") and its subsidiaries (the "Group") which comprises the consolidated statement of financial position as at 31 December 2018, the consolidated statement of 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 31 December 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.

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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.

Key Audit Matter	How the scope of our audit responded to the Key Audit Matter
Investment classification - control vs significant influence over operating companies The Group held investments in 15 operating businesses throughout the year as disclosed in Note 16 (associates) and 17 (subsidiaries). The determination of whether the Group has control or significant influence over each business requires significant judgement as this is the first year audit and we had to consider: - the terms in the respective shareholder agreements, current equity ownership levels and options available to increase equity ownership. The judgement includes whether rights in the shareholder agreements give the Group the ability to control the strategic and operational direction of the investment. - the impact on the balances recorded in the financial statements as this impacted whether investments were consolidated (where the Group controls the investee) or equity accounted (where the Group has significant influence over the investee). - changes to shareholder agreements and equity holdings during the year, which may have resulted in changes to whether investments were consolidated or accounted for on an equity basis.	Our procedures included, but were not limited to: - Reading the existing shareholder agreements or amendments to existing shareholder agreements, to understand and assess the various arrangements. - Analysing special voting rights within the shareholder agreements to assess whether these rights were likely to give the Group the ability to control the strategic and operational direction of the investment. - Agreeing the calculated equity ownership levels to the respective shareholder agreements, equity issue documents and option agreements as applicable. - Comparing our position to that adopted by management in preparing the financial report. - Assessing the appropriateness of the disclosures in Note 3(ii) and (iii) 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 and other intangible assets
The Group has recognised goodwill of $17.6 million and other intangible assets of $5.6 million as at 31 December 2018 as disclosed in Note 15.
 	
Australian Accounting standards require an annual assessment of whether there should be an impairment of such assets at the level of the lowest identifiable cash generating units (CGU), which, for the Group, represents the operating business which it controls. The directors prepared a discounted cashflow model to perform impairment assessments for each CGU. Within these models, key assumptions included revenue growth over the short to medium term, the revenue multiplier applied as part of the terminal value cash flow calculation, and discount rates.
 	
Significant judgements are required in the impairment assessment by the Group about the anticipated future results of the operating businesses, and the wider economies in which they operate. As the majority of operating companies are in the earlier stages of their lifecycle and operate in a diverse range of economies world-wide, there was a high degree of estimation, complexity and uncertainty in developing key assumptions for the cash flow models.
	Our procedures included, but were not limited to:
	
	- Assessing the determination of the Group's CGUs based on our understanding of the nature of the Group's businesses and how independent cash flows are derived.
	- Testing key controls within management's impairment assessment process, including the preparation, review and board approval of cash flow forecasts supporting this process.
	- In conjunction with our valuation specialists we evaluated the key assumptions used in management's recoverable amount analysis including:
	    ○ Assessing the basis for management's forecast revenue, cash flows and terminal value growth assumptions including consideration of historical growth trends, business case analysis and support for future forecast revenue growth and cost savings.
	    ○ Obtaining revenue valuation multiples of comparable companies to establish an independent range to compare against those used in terminal value cash flow calculations.
	    ○ Assessing management's historical forecasting accuracy of the Group's operating results.
	    ○ Recalculating an expected discount rate and comparing this to the rate calculated by management.
	    ○ Performing sensitivity analysis on the impairment model using varied discount rates and growth projections to simulate alternative market conditions and outcomes.
	
	- Assessing the appropriateness of the disclosures in Note 3(iv) and Note 15 to the financial statements.

<table>
<tr><th>Key Audit Matter</th><th>How the scope of our audit responded to the Key Audit Matter</th></tr>
<tr><td>Carrying value of associates
The Group has a carrying value of investments in associates of $7.8 million as at 31 December 201 as disclosed in Note 16. For each investment in an associate, the directors assessed whether there were indicators of impairment.

The determination of whether there is an indicator of impairment for investments in associates is a matter of judgement, including consideration of factors impacting estimated future cash flows where an impairment assessment is required.

During the year, the directors identified an indicator of impairment for the Kupatana investment. Subsequently, the Group performed an impairment assessment over the investment, which resulted in an impairment charge against the carrying value of the investment in the associate of $1.6 million (this was recorded in the half year).</td><td>Our procedures included, but were not limited to:

- Challenging management’s determination of the existence of impairment indicators by:
o Evaluating the current business results against both prior periods and budgets, and potential events that could be an indicator of impairment.
o Inquiring with a selection of local operational managers to obtain an understanding of key forecast events.

- For Kupatana where impairment indicators were identified, in conjunction with our valuation specialists, we evaluated the key assumptions used in management’s recoverable amount analysis including:
o Assessing the basis for management’s forecast revenue, cash flows and terminal value growth assumptions including consideration of historical growth trends, business case analysis and support for future forecast revenue growth and cost savings.
o Assessing management’s historical forecasting accuracy of the Group’s operating results.
o Recalculating an expected discount rate and comparing this to the rate calculated by management.
o Performing sensitivity analysis on the impairment model using varied discount rates and growth projections to simulate alternative market conditions and outcomes
- Assessing the appropriateness of the disclosures in Note 3(iv) and Note 7 to the financial statements.</td></tr>
</table>

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group’s annual report for the year ended 31 December 2018, but does not include the financial report and our auditor’s report thereon.

Our opinion on the financial report does not cover the other information and we do 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 and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the 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.

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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 10 to 18 of the Directors' Report for the year ended 31 December 2018.

In our opinion, the Remuneration Report of Frontier Digital Ventures Limited, for the year ended 31 December 2018, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

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

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Anneke Du Toit
Partner
Chartered Accountants
Melbourne, 25 February 2019

Corporate Directory

Registered Office	Share Registry
Level 7, 330 Collins Street, Melbourne VIC 3000 Australia Tel: +61 3 8689 9997 Fax: +61 3 9602 4709	Computershare Investor Services Pty Limited Yarra Falls 452 Johnston Street Abbotsford VIC 3067

Principal Place of Business	Company Secretary
39-8 The Boulevard Mid Valley City Lingkaran Syed Putra 59200 Kuala Lumpur, Malaysia Tel: +60 3 2201 0790	Mertons Corporate Services Pty Ltd Mark Licciardo Email: markl@mertons.com.au Belinda Cleminson Email: belindac@mertons.au

The Board	
Anthony Klok	Independent Director, non-executive Chairman
Shaun Antony Di Gregorio	Non-independent executive Director and Chief Executive Officer
Mark Licciardo	Independent, non-executive Director and Company Secretary

Chief Executive Officer	Chief Financial Officer
Shaun Antony Di Gregorio Email: shaundig@frontierdv.com	Shiao Mae Chan Email: shiao@frontierdv.com

Websites	Auditors
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