iCar Asia Limited and Controlled Entities

ACN 157 710 846

Annual Report for the financial year ended 31 December 2018

Annual Report Year Ended 31 December 2018

ICAR ASIA LIMITED (ICQ) / ACN 157 710 846

The Directors present their report, together with the consolidated financial statements, of iCar Asia Limited and Controlled Entities (referred to hereafter as the 'Group') for the year ended 31 December 2018.

Directors

The following persons were Directors of the Group during the whole of the financial year and up to the date of this report, unless otherwise stated:

Georg Chmiel (Executive Chairman)
Patrick Grove (Non-executive Director)
Lucas Elliott (Non-executive Director)
Syed Khalil Ibrahim (Independent, non-executive Director)
Peter Everingham (Independent, non-executive Director)
Richard Kuo (Independent, non-executive Director)
James Olsen (Alternate Director to Lucas Elliott) resigned 16 November 2018

Information on directors

Name:	Georg Chmiel
Title:	Executive Chairman
Qualifications:	Diplom-Informatiker, MBA (INSEAD), CPA (USA), FAICD
Experience and expertise:	Mr Chmiel brings over 25 years of experience in the financial services industry, online media and real estate industry. Mr Chmiel was most recently Managing Director and CEO of iProperty Group, the owner of Asia's No. 1 network of property portal sites and related real estate services. He played a key role in finalising the sale of iProperty Group to REA Group, Southeast Asia's largest ever internet buyout. Prior to iProperty Group, Mr Chmiel was Managing Director and CEO of LJ Hooker Group with 700 offices across nine countries providing residential and commercial real estate as well as financial services.
Other current directorships:	Centrepoint Alliance (appointed 7 October 2016)
Former directorships (in the last 3 years):	iProperty Group Limited, Mitula Group Limited
Special responsibilities:	None
Interests in shares:	715,077
Interests in options:	1,000,000

Name:	Patrick Grove
Title:	Non-executive Director
Qualifications:	Bachelor of Commerce degree with a major in Accounting and Finance from the University of Sydney.
Experience and expertise:	Board member since June 2012. Mr Grove is a co-founder of the Group. Mr Grove's experience and expertise includes mergers and acquisitions and the extraction of investment value in high growth, media and technology environments. Mr Grove has built a number of significant media and internet businesses across Asia and has taken five businesses from start-up to initial public offering. He has been recognised with numerous international awards, including Global Leader of Tomorrow by the World Economic Forum (2001), New Asian Leader by the World Economic Forum (2003), Entrepreneur of the Year by the Australian Chamber of Commerce (2004), Business Week Asia's Top Entrepreneur under 40 (2008), one of Asia's Best Young Entrepreneurs by Bloomberg Businessweek (2008), and Top 50 Global Achiever (2013) by Australia Unlimited. Mr Grove holds a Bachelor of Commerce degree with majors in Accounting and Finance from the University of Sydney. Mr Grove is the Chief Executive Officer, Chairman and major shareholder of Catcha Group, one of South East Asia's most dynamic investment groups. Mr Grove is also a Director of Rev Asia Berhad, a Malaysia-listed company.
Other current directorships:	Rev Asia Berhad (appointed 6 October 2010)
Former directorships (in the last 3 years):	iProperty Group Limited
Special responsibilities:	None
Interests in shares:	109,673,940
Interests in options:	22,185,980

Name:	Lucas Elliott
Title:	Non-executive Director
Qualifications:	Bachelor of Commerce degree with a major in Finance from the University of Sydney.
Experience and expertise:	Board member since April 2012. Mr Elliott is a co-founder of the Group. He has over 19 years of Asian online experience, with a focus on developing fast moving online business models and monetising online assets. Mr Elliott is also a co-founder of Catcha Group, where he is responsible for all aspects of Catcha Group's corporate finance activities, including mergers and acquisitions, capital raisings and public listings. Mr Elliott has a Bachelor of Commerce degree with a major in Finance from the University of Sydney. Mr Elliott is a Director Rev Asia Berhad, a Malaysia-listed company.
Other current directorships:	Rev Asia Berhad (appointed 1 April 2013)
Former directorships (in the last 3 years):	iProperty Group Limited
Special responsibilities:	Member of the Nomination & Remuneration Committee and member of the Audit & Risk Committee
Interests in shares:	109,673,940
Interests in options:	22,185,980

Name:	Syed Khalil Ibrahim
Title:	Independent, non-executive Director
Qualifications:	Bachelor of Commerce Majoring in Finance and Bachelor of Engineering Majoring in Mechanical Engineering (First Class Honours)
Experience and expertise:	Khalil has extensive experience in the Automotive industry and is currently the Managing Director and controlling shareholder of SISMA Auto (a dealer group representing Jaguar Land Rover and Volvo in Malaysia). He also is also a Director of Jaguar Land Rover (Malaysia), the sole importer and distributor for Jaguar Land Rover in Malaysia. Prior to that, Khalil worked with CI Holdings Berhad and Boston Consulting Group at their Sydney and New York offices.
Other current directorships:	None
Former directorships (in the last 3 years):	None
Special responsibilities:	Chairman of the Nomination & Remuneration Committee and member of the Audit & Risk Committee
Interests in shares:	2,070,705
Interests in options:	277,744

Name:	Peter Everingham
Title:	Independent, non-executive Director
Qualifications:	MBA from IESE, a Bachelor of Economics from The University of Sydney and is a GAICD
Experience and expertise:	Peter is an experienced executive and non-executive Director of digital and technology businesses having worked in the sector for over 19 years. Up until December 2016, Peter was Managing Director of SEEK Limited's International Division which includes their online businesses in China, Hong Kong and South East Asia. He led the merger of JobStreet and JobsDB in Asia, based out of the Kuala Lumpur Office, and was Chairman of SEEK's China business called Zhaopin. Prior to SEEK, Peter was Director of Strategy for Yahoo! in Australia and South East Asia which included investing in Australia's leading online car classifieds business, carsales.com.au.
Other current directorships:	Super Retail Group Limited (appointed 19 December 2017)
Former directorships (in the last 3 years):	Zhaopin Limited
Special responsibilities:	Member of the Nomination & Remuneration Committee
Interests in shares:	62,060
Interests in options:	None

Name:	Richard Kuo
Title:	Independent, non-executive Director
Qualifications:	B.com., LL.B, FAICD
Experience and expertise:	Richard is the co-founder and CEO of Pier Capital, a boutique investment banking firm. He is a director of SCEGGS Darlinghurst Limited, the Chairman of Intrepica Pty Limited, the owner of LiteracyPlanet Holdings Limited, and has been a director of a range of companies in Australia and Asia in the technology, digital media, pharmaceutical, and not-for-profit sectors. Previously, Richard practiced as a lawyer specialising in corporate law before moving into investment banking and then as a member of the senior management team of what grew to be Australia's largest software company. Richard has qualifications in law, accounting, finance and investment and is a Fellow of the AICD.
Other current directorships:	None
Former directorships (in the last 3 years):	Probiotec Limited, Animoca Brands Limited
Special responsibilities:	Chairman of the Audit & Risk Committee
Interests in shares:	82,747
Interests in options:	None

Name:	James Olsen (Resigned 16 November 2018)
Title:	Alternate Director to Lucas Elliott
Qualifications:	Bachelor of Commerce (Honors) from The University of Melbourne
Experience and expertise:	James is a seasoned technology corporate advisor and investor. He is the founder and Managing Director of CMB Capital, an advisor and investor to emerging technology companies. He has previously held roles in the TMET industry group at Macquarie Capital and Enterprises Division at Nine Entertainment Co (then Publishing and Broadcasting Limited) as well as investment banking roles with Citigroup and Ord Minnett Corporate Finance. James has advised major, blue chip Australian and international listed and unlisted corporations in emerging Australian and global technology businesses.
Other current directorships:	None
Former directorships (in the last 3 years):	None
Special responsibilities:	None
Interests in shares[1]:	702,553
Interests in options[1]:	372,553

[1] Interests in shares and options are as at date of resignation

Company Secretary

Mark Licciardo was appointed as the Group's company secretary effective 1 January 2016 and resigned on 8 January 2019.

Mark Licciardo was a former board member of the Group between December 2016 and September 2017. Mark is the founder and managing director of Mertons Corporate Services. A former company secretary of Top 50 ASX listed companies Transurban Group and Australian Foundation Investment Company Limited, his expertise includes working with boards of directors in the areas of corporate governance, administration and company secretarial. Mark is also a director of a number of public and private companies.

Belinda Cleminson was appointed as the Group's joint company secretary effective 9 December 2016. Belinda Cleminson resigned as joint company secretary on 8 January 2019.

Belinda Cleminson BEd, GIA (Cert) has over 15 years' experience as an Assistant Company Secretary of Australian listed companies including ASX 200 clients. Belinda previously managed the Company Secretarial team for Australian Company Secretaries representing a domestic and global client base. Prior to this Belinda held roles within the legal and banking industry.

Hasaka Martin was appointed as iCar Asia Limited Company Secretary on 8 January 2019. Mr Martin is Company Secretary for a number of ASX listed and unlisted entities. He is a Chartered Secretary with over ten years' experience, he holds a Graduate Diploma in Applied Corporate Governance and is a Fellow of both the Governance Institute of Australia and the Institute of Chartered Secretaries and Administrators.

Dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

Principal activities

The principal activities of the Group during the financial year were the development and operation of internet based automotive portals in South East Asia. There was no significant change in the nature of activities during the financial year.

In the 2018 year, the Group operated internet based automotive portals in Malaysia, Thailand and Indonesia. The portals cater to two automotive market segments, being used car buyers and new car buyers. Business activities in these two segments are the following:

Used Car

- Classifieds
- Auction
- Others - warranty, inspection and private seller service

New Car

- New Car Dealers
- Media
- Events

Financial Performance

[1]Strong revenue growth of 27% year on year to $11,555,944

In the year ended 31 December 2018 the Group generated $11,555,944 in revenue (2017: $9,111,498), an increase of 27% over the previous corresponding period (**pcp**) (2017: 37%).

Growth was primarily driven by the Group's core Classified and Media businesses, with small but increasing contributions from new cars dealer activities The Group's events and auction businesses are expected to contribute more significantly to growth in 2019.

Operating expenses increased only 9% in the 2018 year to $22,867,719 (2017: $20,937,315) mainly due to higher employment cost, with continuing investment in staff in order to support the growth of existing and new businesses. Of the $2,444,446 of additional revenue generated in 2018, $991,090 (41%) flowed through to pro forma EBITDA with losses decreasing by 9% year on year to $10,035,769 (2017: $11,026,859).

The Group's cashflow improved in the year and materially more than revenue and EBITDA. Receipts from customers during the year grew by 46% to $13,688,016 (2017: $9,394,557) with net cash used in operating activities reducing by 14% to $11,469,810 (2017: $13,392,450). Net cash used in investing activities reduced by 39% to $719,172 (2017: $1,175,885) and therefore there was an overall reduction in the Group's free cashflow usage (operating cashflow + investing cashflow) of 17% to $12,188,982 (2017: $14,568,335).

As at 31 December 2018 the Group had $9,531,721 in cash, cash equivalents and investments. Whilst the group has conditional access to additional funds of up to $16,460,454, consisting of a $5,000,000 debt facility and share option exercise proceeds of $11,460,454, which option exercise proceeds will be contingent on the prevailing share price increasing above the $0.20 exercise price of the options on or before the option expiry date, the Group is not factoring these additional funds into its current capital plans.

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[1]The recognition and measurement of revenue in 2018 was based on a new accounting standard whereas 2017 revenue was based on the previously applicable accounting standard. As explained in note 2.3(i), the change in accounting standards had not had a material impact on the amount or timing of revenue recognised.

Non-IFRS measures

The Group uses certain measures to manage and report on its business that are not recognised under Australian Accounting Standards. These measures are collectively referred to as "non-IFRS financial measures". Non-IFRS measures are intended to supplement the measures calculated in accordance with Australian Accounting Standards and are not a substitute for those measures. Non-IFRS financial measures and pro forma results and measures are intended to provide shareholders additional information to enhance their understanding of the performance of the consolidated entity.

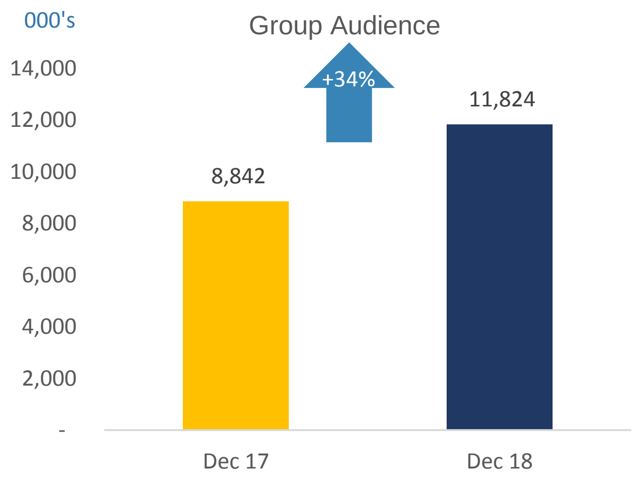
Non-IFRS financial measures that are referred to in this report are as follows:

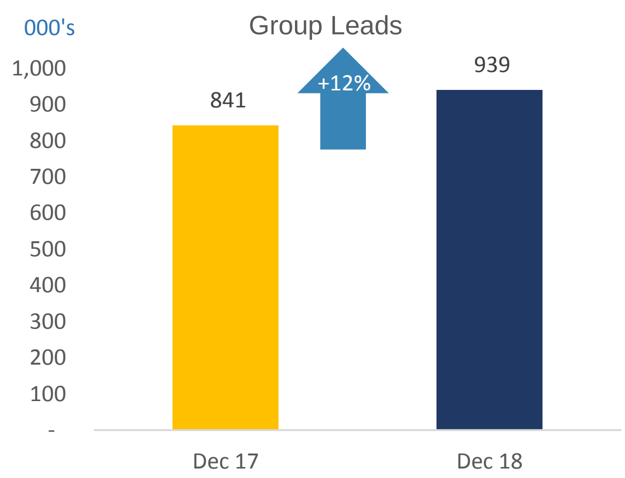
Non-IFRS financial measure	**Definition**
EBITDA	Earnings before interest, tax, depreciation and amortisation expenses. Eliminates non-cash charges for depreciation and amortisation.

Outstanding operational metrics

These financial result were achieved in conjunction with delivering growth in all of the Group's key operating metrics for all countries. Highlights for the 2018 year include:

- 34% year on year growth in total audience numbers across the Group to approximately 12 million unique visitors per month; and
- 12% year on year growth in average monthly leads across the Group.



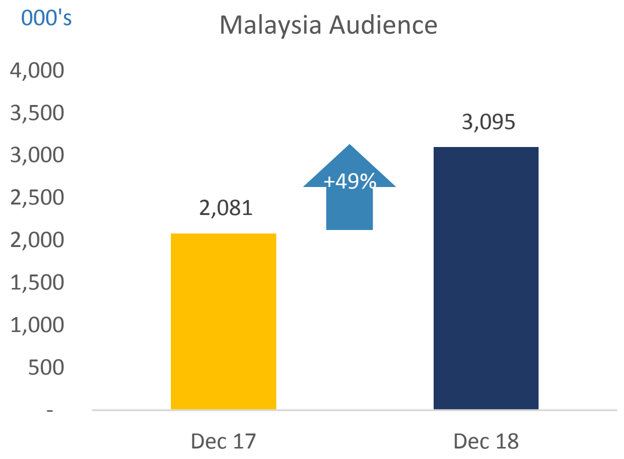


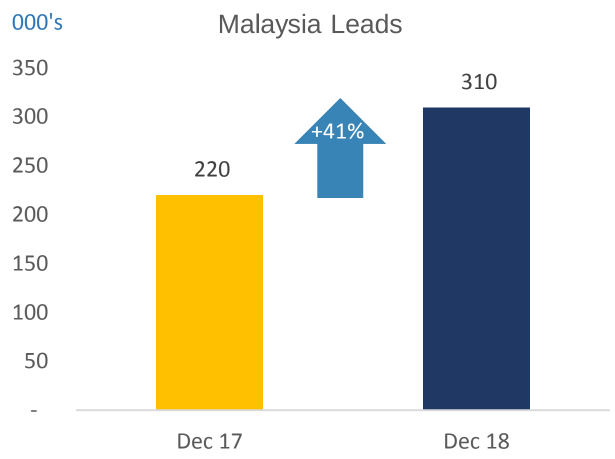
Malaysia:

The Malaysia business achieved an important financial milestone in 2018 by becoming EBITDA and cashflow positive in the month of September 2018 and then its first full quarter of positive EBITDA and cashflow in the quarter ending December 2018. As a result the full year EBITDA loss for Malaysia business decreased substantially by 77% to $305,780 (2017: $1,310,773). This was achieved on the back of strong growth in revenue that increased 17% year on year to $5,340,716 (2017: $4,567,506).

The Used Car-Classified and New Car - Media activities continued to be the main contributors, complemented by new revenue streams in Used Car- Auction and New Car – New Car Dealers, both of which are expected to be significantly scaled up in 2019.

Average monthly audience grew 49% year on year in 2018 driving leads growth of 41% as car buyers continued to move online. These strong operational metrics are expected to underpin future growth across all businesses in Malaysia in 2019.



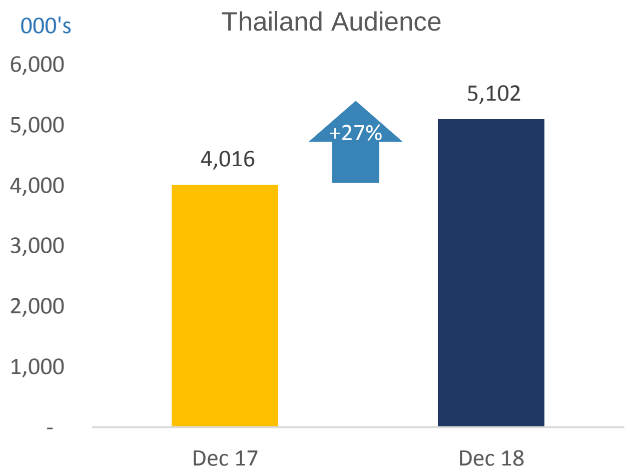


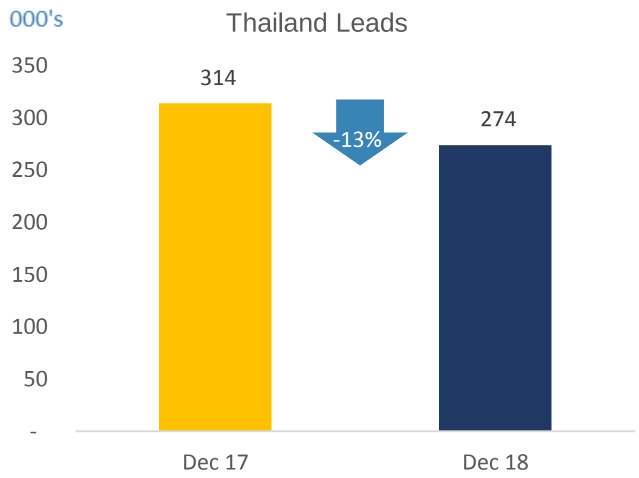
Thailand

The Thailand business also achieved an important financial milestone in 2018 by becoming EBITDA and cashflow positive in December 2018. The EBITDA loss for the full year substantially reduced by 50% to $572,073 from $1,133,116 in 2017. Revenue for the year increased from $3,818,442 in 2017 to $5,069,584, representing a strong 33% year on year growth.

The Used Car - Classified and New Car - Media segments continued to be the main contributors, complemented by new revenue streams in Used Car - Auction and New Car - New Car Dealers that are expected to be scaled up in 2019.

Average monthly audience grew strongly by 27% year on year in 2018. The continued adoption of digital channels by car dealers was evident in 2018 with the number of dealer accounts increasing by 20% year on year and listings growth by 8% year on year. Lead generation did decrease by 13% compared to the pcp as the Group's Thailand marketplace business began optimising towards quality of leads over quantity of leads, a process undertaken in partnership with our dealers.



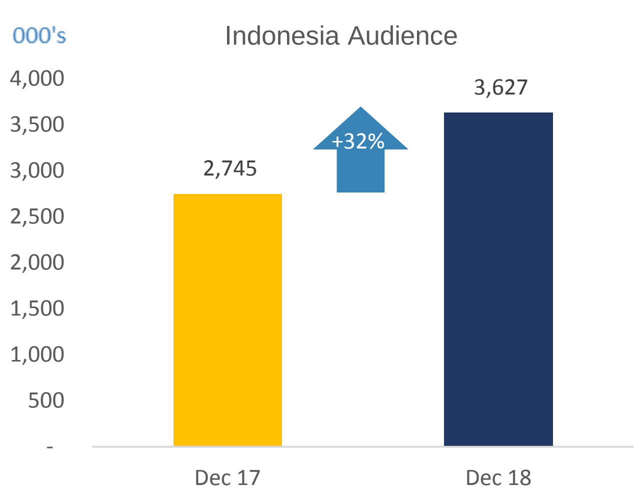


Indonesia:

The Indonesian business had a transformative year as it moved further through its monetisation strategy with strong growth in the number of dealers paying for promotional products on the Group's websites.

Revenue continued to grow strongly by 58% year on year to $1,145,644 (2017: $725,550). 2018 EBITDA loss was reduced by 10% year on year to $3,438,824 (2017: $3,830,777) with over 100% of the increase in revenue flowing through to the EBITDA as cost were marginally reduced in 2018 compared to the pcp.

Average monthly audience and lead volumes grew strongly by 32% and 16% year on year in 2018 respectively. This helped deliver further growth in the number of dealers paying in month to promote their listings, which is up 11% compared to the prior year.



2018: Achieving Significant Financial Milestones for Malaysia and Thailand

In December 2018, iCar Asia's Thailand operation became EBITDA and cashflow positive. This is forecast to continue on a quarterly basis through the 2019 year and is in line with iCar Asia's guidance provided by the Group during 2018. iCar Asia's Malaysian business also had its first full quarter of positive EBITDA and cashflow in the fourth quarter of 2018 following its first breakeven month in September 2018. This is an important step where these two countries will be the main driver in the Group's progression towards overall forecasted milestone of being run-rate EBITDA breakeven by the end of 2019, supplemented by the improvement in the Group's Indonesia operation.

Pro forma financial results

Pro forma financial results have been calculated to exclude employee equity incentive expenses for the current reporting period. Equity incentive expenses have been excluded to more clearly represent the consolidated entity's underlying earnings given this is a non-cash item whose primary economic impact is issued capital dilution if and when shares are issued.

The following table reconciles the statutory result to pro forma financial results for the year ended 31 December 2018 (noting that this financial information has not been audited in accordance with Australian Auditing Standards):

Year ended 31 December 2018 $'000	**Sales**	**EBITDA**	**NPAT**
Statutory results	**11,556**	**(11,312)**	**(13,606)**
Employee equity incentive expense	-	**1,276**	-
Tax impact from underlying adjustments	-	-	-
Pro forma results	**11,556**	**(10,036)**	**(13,606)**

[1] The adjustment removes the portion of directors' remuneration paid in shares, short term incentive plan (STI), long term incentive plan (LTI), option plan and long term value creation plan (LTVC) expense incurred during FY2018.

The following table reconciles the statutory result to pro forma financial results for the year ended 31 December 2017 (noting that this financial information has not been reviewed in accordance with Australian Auditing Standards):

Year ended 31 December 2017 $'000	**Sales**	**EBITDA**	**NPAT**
Statutory results	**9,111**	**(11,826)**	**(13,378)**
Employee equity incentive expense	-	**799**	-
Tax impact from underlying adjustments	-	-	-
Pro forma results	**9,111**	**(11,027)**	**(13,378)**

[1] The adjustment removes the portion of directors' remuneration paid in shares, short term incentive plan (STI), long term incentive plan (LTI), option plan and long term value creation plan (LTVC) expense incurred during FY2017.

Matters subsequent to the reporting date

There have not been any transactions or events of a material and unusual nature between 31 December 2018 and the date of this report, in the opinion of the Directors of the Group, to affect significantly the operations of the Group, the results of those operations, or state of affairs of the Group in future years.

Likely developments and expected results of operations

In 2019 the Group expects to continue to grow the core business of used cars and advertising solutions, and leverage it's market leadership positions to further scale up its auction and new car businesses. As the largest and most trusted automotive online marketplace across the ASEAN region, iCar Asia is in a great position to capture the returns as the region continues on its road of digital transformation.

Likely developments and expected results of operations (continued)

With the Group's two largest markets, Malaysia and Thailand now EBITDA positive and Indonesia well placed to narrow its EBITDA loss, the Group is on track to achieve run rate EBITDA breakeven by the end of 2019.

Indemnity and insurance of officers

The Group has indemnified all current and previous Directors of the Group, the Company Secretary and certain members of senior management against all liabilities or loss (other than to the Group or a related body corporate) that may arise from their position as officers of the Group, except where the liabilities arise out of conduct involving a lack of good faith or where indemnification is otherwise not permitted under the *Corporations Act 2001*. The indemnity stipulates that the Group 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 Group.

The Group has executed deeds of indemnity with each of the Directors.

During or since the financial year, the Group has paid premiums in respect of a contract insuring all the directors of iCar Asia Limited against legal costs incurred in defending proceedings for conduct other than:

(a) A wilful breach of duty
(b) A contravention of sections 182 or 183 of the *Corporations Act 2001*, as permitted by section 199B of the *Corporations Act 2001*

The Group's insurer prohibits the disclosure of premiums paid.

Indemnity of auditors

To the extent permitted by law, the Group has agreed to indemnify its auditors, Ernst & Young, 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 Ernst & Young during or since the financial year.

Meetings of Directors

The number of meetings of the company's Board of Directors ('the Board') and of each board committee held during the year ended 31 December 2018, and the number of meetings attended by each Director were:

	Full Board		**Audit & Risk Committee**		**Remuneration & Nomination Committee**	
	Attended	**Held**	**Attended**	**Held**	**Attended**	**Held**
Georg Chmiel	8	8	-	-	-	-
Patrick Grove	8	8	-	-	-	-
Lucas Elliott	8	8	6	7	2	3
Syed Khalil Ibrahim	8	8	6	7	3	3
Peter Everingham	7	8	-	-	3	3
Richard Kuo	8	8	7	7	-	-
James Olsen[1]	7	8	6	7	1	3

[1] James Olsen was alternate Director to Lucas Elliott.
Held: represents the number of meetings held during the time the director held office or was a member of the relevant committee.

Auditor independence and non-audit services

The following non-audit services were provided by the entity's auditor, Ernst & Young Australia. The directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The nature and scope of each type of non-audit service provided means that auditor independence was not compromised.

Ernst & Young Australia received or are due to receive the following amounts for the provision of non-audit services:

	$
Tax compliance services	13,546
Other tax services	36,524
	50,070

Officers of the company who are former audit partners of Ernst & Young

There are no officers of the company who are former audit partners of Ernst & Young.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 33.

Auditor

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

Share options

Unissued shares

As at the date of this report and the reporting date, there were 54,078,626 unissued ordinary shares under options outstanding for shareholders in connection with the rights issue in December 2017.

As at the date of this report and reporting date, there were 1,000,000 unissued ordinary shares under options outstanding for Key Management Personnel (KMP) remuneration. Refer to the Remuneration Report for further details of the options outstanding for KMP.

Option holders do not have any right, by virtue of the option, to participate in any share issue of the Company or any related body corporate.

Shares issued as a result of the exercise of options

During the financial year, shareholders have exercised options to acquire 1,475,504 fully paid ordinary shares in iCar Asia Limited at a weighted average exercise price of $0.20 per share.

Employees and executives have not exercised any options during the financial year.

Remuneration Report (audited)

The remuneration report, which has been audited in accordance with section 300A of the *Corporations Act 2001*, outlines the key management personnel remuneration arrangements for the Group.
The remuneration report is set out under the following main headings:

A Principles used to determine the nature and amount of remuneration
B Details of remuneration
C Service agreements
D Share-based compensation
E Additional information

A Principles used to determine the nature and amount of remuneration

Nomination & Remuneration Committee

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

The responsibilities of the Nomination & 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 executive and 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.

- Monitor the Group culture and reputation and review behavioural standards on a regular basis, and report and submit recommendations to the Board.

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.

Key management personnel

Key management personnel ('KMP') comprises the directors and executives of the Group. For the purposes of the Remuneration Report, the term 'Executive' is defined to mean the Chief Executive Officer ('CEO'), the Chief Financial Officer ('CFO'), Chief Information Officer ('CIO') and Chief Marketing Officer ('CMO'). The CFO, CIO and CMO report directly to the CEO, who then reports to the Board. The Executives are responsible for the implementation of the Group's vision, values, corporate strategies and risk management systems, as well as the day-to-day management of the business.

Remuneration Report (audited) (continued)

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 advisors were used during the current or prior years.

Reward policy

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

Reward philosophy

The Company's overall philosophy is to manage 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.

In accordance with the ASX Corporate Governance Principles and Recommendations ('ASXCGPR'), the structure of non-executive Directors and key management personnel remuneration is separate and distinct.

The Group has a policy of ensuring that part of the remuneration of key management personnel is directly linked to the performance of the Group. Key management personnel are therefore compensated with fixed remuneration and 'at risk' remuneration based on the key performance measures of the Group.

Executive Chairman and non-executive directors remuneration

The fees paid to Directors on the Board take into consideration the level of fees paid to Board members of other Australian corporations, the size and complexity of the Group's operations, the activities of the Group and the responsibilities and workload requirements of Board members.

Fees are established from time to time for the Directors. The appointment letters for the 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 Director receives a fee for being a Director of the Company. These fees are paid either by the issue of iCar Asia Limited shares or in cash. The number of shares is determined by the volume weighted average price ('VWAP') over the financial year of the director services provided.

There were no share options granted to Non-Executive Directors during or since the end of the financial year outside of options acquired via participation in the non-renounceable entitlement offer in 2017. For details of share options granted to the Executive Chairman, see Section B Details of remuneration.

Remuneration Report (audited) (continued)

The table below summarises the prevailing Board and Committee fees payable to Directors at the close of year 2018:

Position		$
Board fees		
Chair		120,000
Non-executive directors		60,000
Committee fees		
Audit & Risk	: Chair	10,000
	: Member	N/A
Nomination & Remuneration	: Chair	10,000
	: Member	N/A

The Executive Chairman is paid an additional $150,000 per annum in cash for the executive component of the role. The Executive Chairman's fee was revised to $127,500 for 2019. The Executive Chairman will also be granted a one-off issuance of $10,000 in shares in the Company, subject to shareholder approval.

Executive remuneration

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

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

The remuneration for key management personnel and staff will include an annual review using a formal performance appraisal process. The Nomination & Remuneration Committee recommends to the Board the level of remuneration each year based on the performance of individuals.

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 that is both appropriate to the position and is competitive in the market. Fixed remuneration comprises of salary and other benefits such as housing allowances and school fees. Individuals, however, may choose to sacrifice part of their salary to increase payments towards other benefits.

Variable Remuneration
Remuneration is linked to performance to retain high calibre executives by motivating them to achieve performance goals which are aligned to Group interests. The components of variable remuneration are outlined below and are directly linked to the performance of both the Executive and the Group.

Remuneration Report (audited) (continued)

Short term incentive plan (STI)

Short-term incentives are used to reward staff based on performance on a year by year basis. Rewards are made to participating key employees depending on the extent to which specific targets set at the beginning of the period are met. The targets relate to the earnings of the company and achievement of other Key Performance Indicators ('KPIs') aligned to the individual's specific business function. The percentage and threshold level can differ for each individual and are reviewed each year. See Section C Service agreements. Payments are made in the form of cash and shares as determined at the discretion of the Nomination & Remuneration Committee. Shares are issued at the VWAP for the financial year in which the services were provided. The STI program has been closed to new key employees since 2016. New key employees now participate only in the long term incentive plan (LTI). See below under 'Long term incentive plan' and under Section C Service agreements.

Long term incentive plan (LTI)

The Group has established a long term incentive plan (referred to hereafter as the 'Plan'). The Plan is part of the Group's remuneration strategy and is designed to align the interests of management and shareholders and assist the Group in the attraction, motivation and retention of executives. In particular, the Plan is designed to provide relevant executives with an incentive for future performance and encouraging those executives to remain with the Group. LTI payments are made to participating key employees depending on the extent to which specific targets set at the beginning of the plan are met. The targets relate to the earnings of the company, achievement of other KPIs aligned to the individual's specific business function and staff remaining in employment for three years (including the year to which the LTI relates). During the year all new key employees participated in the LTI only. The details of LTI terms and targets can be found under Section C Service agreements in Remuneration Report.

Options plan

With the same objective of the LTI Plan, certain recent key employees were previously awarded iCar Asia Limited share options. The details can be found in Section C Service agreements in the Remuneration Report.

During the year, options granted to certain key management personnel have been replaced by a new share appreciation rights scheme as detailed below.

Additional incentives

With the same objective of the LTI Plan, certain key employees were offered the opportunity to be granted additional incentives in the form of iCar Asia Limited shares contingent upon successful achievement of specified key financial and operational metrics. The details can be found in Section C Service agreements.

Long Term Value Creation (LTVC)

On 22 February 2018, the Group issued certain key management personnel with share appreciation rights as replacement awards under the existing executive variable remuneration plan for additional incentives and options. The existing Long Term Incentive plan is not affected by this new scheme and will run as per respective service agreements of key management personnel. The purpose of the LTVC scheme is to reward the value creation developed by the executives in driving growth in the business. The LTVC scheme is based on exceeding a specified share price hurdle of $0.30 in any of the three observation periods (2018, 2019 and 2020). The entitlement will be paid in shares in iCar Asia Limited and the number of entitlements will be based on the Volume Weighted Average Price of the Group's share price exceeding the baseline share price of $0.18 in the December of the relevant observation period. Each executive will receive a share of the value created, which is calculated as the excess of the share price hurdle to the baseline share price multiplied by the number of shares on issue at the end of the relevant observation period.

The entitlements also contain vesting conditions based on a required service period for each observation period end and vest 60% in the January following the observation period and 40% in the January twelve months thereafter.

Remuneration Report (audited) (continued)

The key inputs and assumptions, grant date fair value and current year amortisation expense of the LTVC award are contained in Section D Share-based compensation.

Voting and comments made at the company's 2018 Annual General Meeting ('AGM')

The company received in excess of 95.27% of 'for' votes in relation to its remuneration report for the year ended 31 December 2017. The company did not receive any specific comments at the AGM in regard to its remuneration practices and report.

B Details of remuneration

The table below outlines the key management personnel of the Group and their movements during full year 2018:

Name	Position	Term as KMP
Executive Director		
Georg Chmiel	Executive Chairman	Full financial year
Non-executive Directors		
Patrick Grove	Non-executive Director	Full financial year
Lucas Elliott	Non-executive Director	Full financial year
Syed Khalil Ibrahim	Independent Non-executive Director	Full financial year
Peter Everingham	Independent Non-executive Director	Full financial year
Richard Kuo	Independent Non-executive Director	Full financial year
James Olsen	Alternate Director to Lucas Elliott	Resigned 16 November 2018
Senior Executives		
Hamish Stone	Group Chief Executive Officer	Full financial year
Joe Dische	Group Chief Financial Officer	Resigned 14 June 2018
Yee Chin Beng	Group Chief Financial Officer	Appointed 21 May 2018
Pedro Sttau	Group Chief Information Officer	Full financial year
Jonathan Adams	Group Chief Marketing Officer	Full financial year

Remuneration Report (audited) (continued)

Details of the remuneration of the key management personnel for the Group are set out in the following tables.

		Short-term benefits		Share-based payments							
		Salary & fees $	Other[11] $	Remuneration[1] $	LTI shares $	STI shares $	Additional incentives[10] $	Options[10] $	LTVC[10] $	Total Remuneration $	Performance related %
G Chmiel[2]	**2018**	**150,000**	**-**	**120,000**	**-**	**-**	**-**	**46,665**	**-**	**316,665**	**-**
Executive Director	2017	50,000	-	108,000	-	-	-	35,670	-	193,670	-
P Grove[3]	**2018**	**30,000**	**-**	**30,000**	**-**	**-**	**-**	**-**	**-**	**60,000**	**-**
Non-executive Director	2017	15,000	-	45,000	-	-	-	-	-	60,000	-
L Elliott[3]	**2018**	**30,000**	**-**	**30,000**	**-**	**-**	**-**	**-**	**-**	**60,000**	**-**
Non-executive Director	2017	15,000	-	39,000	-	-	-	-	-	54,000	-
M Britt[4]	**2018**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Non-executive Director	2017	-	-	24,000	-	-	-	-	-	24,000	-
S Khalil Ibrahim	**2018**	**30,000**	**-**	**30,000**	**-**	**-**	**-**	**-**	**-**	**60,000**	**-**
Non-executive Director	2017	15,000	-	44,000	-	-	-	-	-	59,000	-
M Licciardo[5]	**2018**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Non-executive Director	2017	18,068	-	-	-	-	-	-	-	18,068	-
C Lobb[4]	**2018**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Non-executive Director	2017	12,045	-	-	-	-	-	-	-	12,045	-
P Everingham	**2018**	**30,000**	**-**	**30,000**	**-**	**-**	**-**	**-**	**-**	**60,000**	**-**
Non-executive Director	2017	15,000	-	15,000	-	-	-	-	-	30,000	-
R Kuo	**2018**	**35,000**	**-**	**35,000**	**-**	**-**	**-**	**-**	**-**	**70,000**	**-**
Non-executive Director	2017	15,000	-	20,000	-	-	-	-	-	35,000	-
J Olsen	**2018**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Non-executive Director	2017	-	-	-	-	-	-	-	-	-	-
Total Directors	**2018**	**305,000**	**-**	**275,000**	**-**	**-**	**-**	**46,665**	**-**	**626,665**	
	2017	155,113	-	295,000	-	-	-	35,670	-	485,783	

[1] Shares to be issued to directors in lieu of fees are to be ratified at the upcoming annual general meeting
[2] The Executive Chairman's Options do not contain any performance conditions therefore are not classified as performance related
[3] Shares allocated to the Director will be issued to Catcha Group Pte Ltd
[4] Resigned 30 June 2017
[5] Resigned 30 September 2017

		Short-term benefits		Share-based payments							
		Salary & fees $	Other[11] $	Remuneration[1] $	LTI shares $	STI shares $	Additional incentives[10] $	Options[10] $	LTVC[10] $	Total Remuneration $	Performance related %
H Stone	**2018**	**392,500**	**65,776**	**-**	**136,733**	**-**	**-**	**16,069**	**446,145**	**1,057,223**	**57%**
Chief Executive Officer	2017	370,000	60,544	-	175,020	-	-	97,322	-	702,886	39%
J Dische[6]	**2018**	**122,341**	**61,050**	**-**	**(25,631)**	**-**	**-**	**-**	**-**	**157,760**	**0%**
Chief Financial Officer	2017	250,000	102,474	-	45,567	150,000	98,461	-	-	646,502	45%
Yee Chin Beng[7]	**2018**	**98,849**	**-**	**-**	**-**			**-**	**-**	**98,849**	**0%**
Chief Financial Officer	2017	-	-	-	-			-	-	-	-
P Sttau	**2018**	**235,000**	**49,382**	**-**	**85,010**	**-**	**12,253**	**-**	**160,612**	**542,257**	**48%**
Chief Information Officer	2017	220,000	48,196	-	98,812	-	77,539	-	-	444,547	40%
J Caisse[8]	**2018**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0%**
Chief Business Development Officer	2017	19,167	12,765	-	-	-	-	-	-	31,932	0%
J Adams[9]	**2018**	**177,500**	**55,548**	**-**	**20,261**	**-**	**-**	**1,465**	**89,229**	**344,003**	**32%**
Chief Marketing Officer	2017	127,500	48,008	-	21,250	-	-	7,573	-	204,331	14%
Total Executive	**2018**	**1,026,190**	**231,755**	**-**	**216,373**	**-**	**12,253**	**17,534**	**695,986**	**2,200,093**	
	2017	986,667	271,987	-	340,649	150,000	176,000	104,895	-	2,030,198	
Total Remuneration	**2018**	**1,331,190**	**231,756**	**275,000**	**216,373**	**-**	**12,253**	**64,199**	**695,986**	**2,826,757**	
	2017	1,141,780	271,987	295,000	340,649	150,000	176,000	140,565	-	2,515,981	

[6] J Dische resigned on 14 June 2018 and forfeited his LTI shares.
[7] Appointed 21 May 2018
[8] Resigned 31 January 2017
[9] Appointed 7 April 2017
[10] The LTVC award is a replacement award for Options and Additional Incentives for H Stone and J Adams from the grant date of 22 February 2018. The expense for LTVC from 22 February 2018 for financial year 2018 has been classified in the LTVC column. The expense for Options and Additional Incentives from 1 January 2018 to 22 February 2018 has been classified in the Options and Additional Incentives columns respectively.
[11] Other short-term benefits include housing and school fee allowances

There were no non-monetary, termination benefits, long term benefits (except LTI) or post-employment/superannuation benefits in the current or prior year, hence the categories have been excluded from the tables above.

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 26 Related party transactions in the financial statements.

Remuneration Report (audited) (continued)

Shareholdings of KMP[1] held in iCar Asia Limited

31 December 2018	Balance at the beginning of the period 1 January 2018	Granted as remuneration	Net change Other[2]	Balance at the end of the period 31 December 2018
Executive Director:				
G Chmiel	76,930	446,835	191,312	715,077
Non-Executive Directors:				
P Grove[3,4]	109,076,402	186,181	411,357	109,673,940
L Elliott[3,4]	109,076,402	161,357	436,181	109,673,940
S Khalil Ibrahim	1,888,661	182,044	-	2,070,705
P Everingham	-	62,060	-	62,060
R Kuo	-	82,747	-	82,747
J Olsen[5]	572,553	-	(572,553)	-
Other Key Management Personnel:				
H Stone	796,333	740,996	789,467	2,326,796
J Dische[6]	610,576	695,538	(1,306,114)	-
Yee Chin Beng	-	-	-	-
P Sttau	202,714	420,511	-	623,225
J Adams	-	87,280	-	87,280

[1] Includes shares held directly, indirectly and beneficially by KMP.
[2] All equity transactions with KMP other than those arising from remuneration by the Group have been entered into under terms and conditions no more favourable than those the Group would have adopted if dealing at arm's length.
[3] P Grove and L Elliott have a relevant interest in securities held by Catcha Media Berhad and Catcha Group Pte Ltd totalling 109,673,940.
[4] Shares allocated to the Director were issued to Catcha Group Pte Ltd.
[5] James Olsen resigned on 16 November 2018. Net other change in shares reflects that James Olsen was not a KMP at 31 December 2018 and therefore has a holding of nil. At the date of resignation, James Olsen held 702,553 shares in the Company.
[6] Joe Dische resigned on 14 June 2018. Net other change in shares reflects that Joe Dische was not a KMP at 31 December 2018 and therefore has a holding of nil. At the date of resignation, Joe Dische held 606,114 shares in the Company.

Remuneration Report (audited) (continued)

C Service agreements

Remuneration and other terms of employment for key management personnel are formalised in service agreements.

STI and LTI incentives are paid to Key Management Personnel according to the achievement of performance targets which are set half yearly as follow

For first half of financial year 2018

- 50% on achievement of Group Revenue and EBITDA targets. EBITDA targets are treated as a 'gate' to achievement and if not met, no reward is made under this category.
- 30% on 'vibrancy' metrics targets:
  - Website audience.
  - Volume of consumer leads delivered through the portals.
  - Volume of paying accounts (new and used car).
  - Volume of used cars listed in the sales markets.
- 10% on employee engagement targets as assessed by an employee net promoter score derived from an internal survey.
- 10% on achievement of function-specific strategic goals.

For second half of financial year 2018

- 25% on achievement of Group Revenue and EBITDA targets. EBITDA targets are treated as a 'gate' to achievement and if not met, no reward is made under this category.
- 12.5% on achievement of New Car revenue
- 12.5% on achievement of Auction revenue
- 30% on 'vibrancy' metrics targets:
  - Website audience.
  - Volume of consumer leads delivered through the portals.
  - Volume of paying accounts (new and used car).
  - Volume of used cars listed in the sales markets.
- 10% on employee engagement targets as assessed by an employee net promoter score derived from an internal survey.
- 10% on achievement of function-specific strategic goals

For the Chief Financial Officer these strategic goals involve delivery of cost control measures, operations team projects and cross-functional conversion initiatives.

For the Chief Information Officer the goals involve the timely provision of products and technical capabilities for the Group and efficiencies in the delivery process.

For the Chief Marketing Officer the goals involve delivery of specific marketing strategy projects, brand assessment and financial performance in the Media division.

The Chief Executive Officer's goals aggregate those given to the other key management personnel and align to specific strategic milestones.

The following table outlines the proportion of maximum LTI earned in relation to the financial year ended 2018. There were no employees in service at 31 December 2018 entitled to the STI incentive.

	Maximum LTI opportunity (% of fixed remuneration)	**% of maximum LTI earned**
H Stone (CEO)	100%	0%
Yee Chin Beng (CFO)	80%	0%
P Sttau (CIO)	80%	0%
J Adams (CMO)	50%	0%

Details of these agreements are as follows (please refer to Section A for further information on short-term and long-term incentives):

Name:	Mr Georg Chmiel
Title:	Executive Chairman
Term of agreement:	3 months termination notice period by executive and company.
Details:	Base salary cost is AUD 150,000 per annum. Base salary adjusted to AUD AUD 127,500 from 1 January 2019 *Long term incentive* Not applicable *Options:* One-off issuance of AUD 10,000 in shares in the Company, subject to shareholder approval. Grant of 1,000,000 options exercisable at $0.40 per option vesting on 31 December 2019 and expiring on 31 December 2021.

Name:	Mr Hamish Stone
Title:	Chief Executive Officer
Term of agreement:	Employment contract converted to permanent employee from 1 January 2019. 6 months termination notice period by executive and company.
Details:	Base salary cost is AUD 370,000 per annum until 31 March 2018 and AUD 400,000 per annum from 1 April 2018 until 31 December 2018. Base salary increase to AUD AUD 450,000 from 1 January 2019, of which AUD 350,000 will be paid in cash and AUD 100,000 will be paid in shares in the Company (with trading lock on shares for 12 months from issue date). *Long term incentive* Up to AUD 392,500 per annum subject to meeting performance targets as set by the Board. Payment is to be made via shares in the Company at an issue price calculated based on the VWAP of the shares for the corresponding financial year to which the incentive relates. The shares are issued in 3 instalments: 3 months, 15 months and 27 months after the end of the annual performance period to which the LTI relates, split as 40%, 30%, 30% respectively. From 1 January 2019, up to AUD 562,500 per annum, subject to same criteria. Please see above for performance criteria. Please see page 31 for amount awarded for 2018 financial year. *Other benefits:* Housing allowance of MYR 16,000 per month (equivalent to approximately 2018: AUD 5,358 (2017: AUD 3,643) per month). *Options:* This options scheme has been replaced by Long Term Value Creation scheme. See Section D Share-based compensation. *Long term value creation (LTVC)* LTVC share for Hamish is 1.25%. LTVC scheme entitlements is based on exceeding a specified share price hurdle in any of the three observation periods (2018, 2019 and 2020). The number of entitlements will be based on the Volume Weighted Average Price of the Group's share price in the December of the relevant observation period.

Remuneration Report (audited) (continued)

Name:	Mr Joe Dische (Resigned 14 June 2018)
Title:	Chief Financial Officer
Term of agreement:	6 months termination notice period by executive and company.
Details:	Base salary cost is AUD 250,000 per annum until 31 March 2018 and AUD 290,000 from 1 April 2018 until resignation.

Short term incentive
Up to AUD 150,000 per annum subject to meeting performance targets as set by the Board. Payment is to be made via shares in the Company at an issue price calculated based on the VWAP of the shares for the corresponding financial year to which the incentive relates. Upon resignation, Joe Dische forfeited his STI for the financial year ending 31 December 2018.

Long term incentive
Up to AUD 56,000 per annum subject to meeting performance targets as set by the Board. Payment is to be made via shares in the Company at an issue price calculated based on the VWAP of the shares for the corresponding period and issued 2 years and 3 months after the end of the annual performance period to which the LTI relates. Upon resignation, Joe Dische forfeited his LTI for the financial year ending 31 December 2018 and the unvested balances for the years ending 31 December 2016 and 31 December 2017.

Additional incentive
This scheme has terminated as Joe Dische has ceased his employment.

Other benefits:

Housing allowance of MYR 12,000 per month (equivalent to approximately 2018: AUD 4,019 (2017: AUD 3,643) per month).
School fee allowance on average MYR 76,500 per child per annum (equivalent to approximately 2018: AUD 25,619 (2017: AUD 21,810) per annum).

Name:	Yee Chin Beng (Appointed 21 May 2018)
Title:	Chief Financial Officer
Term of agreement:	6 months termination notice period by executive and company.
Details:	Base salary cost is AUD 160,000 per annum from 21 May 2018 to 31 December 2018. 1 January 2019 onwards base salary is AUD 192,000. *Long term incentive* Up to AUD 128,000 per annum subject to meeting performance targets as set by the Board. Payment is to be made via shares in the Company at an issue price calculated based on the VWAP of the shares for the corresponding financial year to which the incentive relates. The shares are issued in 3 instalments: 3 months, 15 months and 27 months after the end of the annual performance period to which the LTI relates, split as 33%, 33%, 33% respectively. Please see above for performance criteria. Please see page 31 for amount awarded for 2018 financial year. *Long term value creation:* Not entitled in 2018. LTVC scheme entitlements from 2019 onwards.

Name:	Mr Pedro Sttau
Title:	Chief Information Officer
Term of agreement:	6 months termination notice period by executive and company.
Details:	Base salary cost is AUD 230,000 per annum until 31 March 2018 and AUD 240,000 from 1 April 2018 onwards. *Long term incentive:* Up to AUD 184,000 per annum subject to meeting performance targets as set by the Board. Payment is to be made via shares in the Company at an issue price calculated based on the VWAP of the shares for the corresponding financial year to which the incentive relates. The shares are issued in 3 instalments: 3 months, 15 months and 27 months after the end of the annual performance period to which the LTI relates, split as 33%, 33%, 33% respectively. *Additional incentive* Additional incentive scheme was replaced by Long Term Value Creation scheme. *Long term value creation:* LTVC share for Pedro is 0.45%. LTVC scheme entitlements is based on exceeding a specified share price hurdle in any of the three observation periods (2018, 2019 and 2020). The number of entitlements will be based on the Volume Weighted Average Price of the Group's share price in the December of the relevant observation period. *Other benefits:* Housing allowance of MYR 12,000 per month (equivalent to approximately 2018: AUD 4,019 (2017: AUD 3,643) per month).

Name:	Mr Jonathan Joseph Adams
Title:	Chief Marketing Officer
Term of agreement:	3 months termination notice period by executive and company.
Details:	Base salary cost is AUD 170,000 per annum until 31 March 2018 and AUD 180,000 from 1 April 2018 onwards. *Long term incentive:* Up to AUD 85,000 per annum subject to meeting performance targets as set by the Board. Payment is to be made via shares in the Company at an issue price calculated based on the VWAP of the shares for the corresponding financial year to which the incentive relates. The shares are issued in 3 instalments: 3 months, 15 months and 27 months after the end of the annual performance period to which the LTI relates, split as 33%, 33%, 33% respectively. *Long term value creation:* LTVC share for Jonathan is 0.25%. LTVC scheme entitlements is based on exceeding a specified share price hurdle in any of the three observation periods (2018, 2019 and 2020). The number of entitlements will be based on the Volume Weighted Average Price of the Group's share price in the December of the relevant observation period. *Other benefits:* School fee allowance of AUD 44,000 per annum.

The Nomination & Remuneration Committee of the Board will recommend each year reasonable performance measures and targets for use in assessing each Executive's performance. After the end of each financial year, the Nomination & Remuneration Committee of the Board will review each Executive's performance in comparison to these measures and targets. Incentive targets (as a percentage of Total Executive Compensation ('TEC')) are to be determined annually by the Board, based on the recommendation of the Nomination & Remuneration Committee for the coming year. TEC is base remuneration inclusive of benefits.

Remuneration Report (audited) (continued)

D Share-based compensation

Issue of shares

Details of shares issued to Directors and other key management personnel as part of compensation during the year ended 31 December 2018 are set out below:

	Financial Year	Category	Number of Shares granted up to 31 December 2018	Number of shares vested during 2018	Fair Value per share $	Fair value of shares $	Grant date	Vesting date	Issue date
Executive Director:									
G Chmiel	2017	Director Fees	446,835	446,835	0.2417	108,000	February 2018	February 2018	June 2018
Non-Executive Directors:									
P Grove	2017	Director Fees[1]	186,181	186,181	0.2417	45,000	February 2018	February 2018	June 2018
L Elliott	2017	Director Fees[1]	161,357	161,357	0.2417	39,000	February 2018	February 2018	June 2018
Mark Britt	2017	Director Fees	99,297	99,297	0.2417	24,000	February 2018	February 2018	June 2018
S Khalil Ibrahim	2017	Director Fees	182,044	182,044	0.2417	44,000	February 2018	February 2018	June 2018
Peter Everingham	2017	Director Fees	62,060	62,060	0.2417	15,000	February 2018	February 2018	June 2018
Richard Kuo	2017	Director Fees	82,747	82,747	0.2417	20,000	February 2018	February 2018	June 2018
Other Key Management Personnel:									
H Stone	2016	LTI	128,667	128,667	0.2000	25,733	February 2018	February 2018	May 2018
	2017	LTI	612,329	612,329	0.2450	150,021	February 2018	February 2018	May 2018
	2017	LTI	459,247	-	0.2450	112,516	February 2018	February 2019	March 2019
	2017	LTI	459,247	-	0.2450	112,516	February 2018	February 2020	March 2020

Remuneration Report (audited) (continued)

	Financial Year	Category	Number of Shares granted up to 31 December 2018	Number of shares vested during 2018	Fair Value per share $	Fair value of shares $	Grant date	Vesting date	Issue date
Other Key Management Personnel:									
J Dische	2015	LTI	81,140	81,140	0.91	73,837	February 2016	February 2018	May 2018
	2016	LTI	79,172	-	0.2	15,834	February 2017	February 2019	March 2019
	2017	STI	614,398	614,398	0.245	150,528	February 2016	February 2018	May 2018
P Sttau	2015	LTI	51,957	51,957	0.91	47,281	February 2016	February 2018	May 2018
	2016	LTI	116,120	116,120	0.2	23,224	February 2016	February 2018	May 2018
	2017	LTI	252,434	252,434	0.2450	61,846	February 2018	February 2018	May 2018
	2017	LTI	252,434	-	0.2450	61,846	February 2018	February 2019	March 2019
	2017	LTI	252,434	-	0.2450	61,846	February 2018	February 2020	March 2020
J Adams	2017	LTI	87,280	87,280	0.2450	21,384	February 2018	February 2018	May 2018
	2017	LTI	87,280		0.2450	21,384	February 2018	February 2019	March 2019
	2017	LTI	87,280		0.2450	21,384	February 2018	February 2020	March 2020

[1] Shares allocated to the Director were issued to Catcha Media Pte Ltd

Share based payments of $1,259,655 have been accrued in relation to 2018 in lieu of Directors Fees ($275,000) and executive variable remuneration ($984,655). The number of shares to be granted will be agreed at the meeting of the Nomination & Remuneration Committee in February 2019.

Remuneration Report (audited) (continued)

Options

In April 2017 and May 2017 3,750,000 share options were granted to certain senior executives. The senior executives must be employed by the company on the vesting date or the options lapse. All options will be settled in shares.

During the year, options granted to key management personnel, with the exception of Executive Chairman, have been replaced by Long Term Value Creation scheme (LTVC).

The table below discloses the number of share options granted, vested or lapsed during the previous financial year that existed at 31 December 2018.

Key management personnel	Financial year	Options awarded during the year No.	Award date	Fair value per option at award date ($)	Vesting Date	Exercise price	Expiry date	No. vested during the year	No. lapsed during the year	Value of options granted during the year ($)
G Chmiel (Executive Chairman)	2017	1,000,000	26 May 2017	$0.129	31 December 2019	$0.40	31 December 2021	-	-	$129,000

There were no options granted, vested or lapsed during the 2018 financial year.

Remuneration Report (audited) (continued)

The table below discloses the number of share options outstanding at the end of the year.

Options holdings of KMP							
Key management personnel	**Balance 1 January 2018**	**Granted as remuneration**	**Options exercised**	**Net change other**	**Balance 31 December 2018**	**Exercisable**	**Not exercisable**
G Chmiel (Exec. Chairman)	1,011,312	-	(11,312)	-	1,000,000	-	1,000,000
H Stone (CEO)[1]	2,617,107	-	-	(2,500,000)	117,107	117,107	-
J Dische (CFO)[2]	89,790	-	-	(89,790)	-	-	-
J Adams (CMO)[1]	250,000	-	-	(250,000)	-	-	-
P Grove (Director)	22,185,980	-	-	-	22,185,980	22,185,980	-
L Elliott (Director)	22,185,980	-	-	-	22,185,980	22,185,980	-

There were no options related to remuneration exercised during the year.
[1] Net other change reflects the replacement of the options incentive scheme with the Long Term Value Creation award.
[2] Net other change in options reflects that Joe Dische was not a KMP at 31 December 2018 and therefore has a holding of nil. At the date of resignation, Joe Dische held 89,790 options in the Company.

Long term value creation (LTVC)

The following table list the key inputs and assumptions to the model used to calculate the grant date fair value of the LTVC award were:

	LTVC
Share price hurdle	$0.30
Baseline share price	$0.18
Dividend yield	0%
Expected volatility	62%
Risk-free interest rate	2.20%
Model used	Monte Carlo

The table below discloses the accounting amortisation of LTVC Scheme in financial statements for the year ended 31 December 2018 relating to key management personnel. The table also discloses the total grant date fair value of the LTVC awarded to each key management personnel. The amortisation value is based on the fair value of LTVC Scheme at grant date which was on 22 February 2018. The LTVC Scheme entitlements is based on exceeding a specified share price hurdle in any of the three observation periods (2018, 2019 and 2020). As of 31 December 2018, the market share price has not exceeded the specified share price hurdle during the observation period and thus no shares will be awarded to any key management personnel as entitlements under the LTVC Scheme.

Key management personnel	Share of value creation	Amortisation in 2018 $	Grant date fair value $
H Stone Chief Executive Officer	1.25%	446,145	934,926
P Sttau Chief Information Officer	0.45%	160,612	336,573
J Adams Chief Marketing Officer	0.25%	89,229	186,985

E Additional Information

The Group has a policy of ensuring that at least part of the remuneration of key management personnel is based on the performance of the Group. Key management personnel are compensated with fixed remuneration and 'at risk' remuneration based on the key performance measures of the Group.

The performance of the Group for the year to 31 December 2018 and the previous four years is summarised below:

	2018	2017	2016	2015	2014
Revenue	11,555,944	9,111,498	6,663,394	6,277,576	2,814,246
EBITDA	(11,311,775)	(11,825,817)	(13,812,745)	(11,455,311)	(13,191,344)
Loss after income tax	(13,606,453)	(13,377,600)	(14,999,485)	(12,537,199)	(16,699,930)

The factors that are considered to affect total shareholders return ("TSR") are summarised below:

	2018	2017	2016	2015	2014
Share price at financial year end ($A)	0.135	0.20	0.25	0.96	1.08
Basic loss per share (cents per share)	(3.57)	(4.12)	(5.59)	(5.43)	(8.64)
Diluted loss per share (cents per share)	(3.57)	(4.12)	(5.59)	(5.43)	(8.64)

The Group entered into a $5,000,000 secured loan facility provided by Catcha Group Pte Ltd to be used for working capital purposes if and when required and which may be drawn down subject to a related issue of options to Catcha Group Pte Ltd. For further details see Note 20 Financing facility.

During the year, the Group recommend to the Board that 375,000 shares at $0.20 per share be issued to James Olsen as remuneration for his project work over the last 18 months. It is subject to Shareholder approval at the 2019 Annual General Meeting.

There were no loans, other transactions and balances with KMP and their related parties during the year other than those transactions detailed in Note 26 Related party transactions in the financial statements.

This concludes the remuneration report, which has been audited.

Signed in accordance with a resolution of the directors.

Georg Chmiel
Executive Chairman

Kuala Lumpur
21 February 2019

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Auditor's Independence Declaration to the Directors of iCar Asia Limited

As lead auditor for the audit of iCar Asia Limited for the financial year ended 31 December 2018, I declare to the best of my knowledge and belief, there have been:

a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

b) no contraventions of any applicable code of professional conduct in relation to the audit.

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

Ernst & Young

Ernst & Young

BJ Pollock
Partner
21 February 2019

iCar Asia Limited and Controlled Entities
Statement of Comprehensive Income
For the year ended 31 December 2018

	Note	Consolidated 2018 $	Consolidated 2017 $
Revenue	4	11,555,944	9,111,498
Expenses			
Administration and related expenses		(2,381,551)	(2,068,968)
Advertising and marketing expenses		(6,942,669)	(7,027,970)
Employment related expenses	6	(11,684,153)	(9,882,594)
Premises and infrastructure expenses		(1,771,878)	(1,752,111)
Offline production costs		(87,468)	(205,672)
Depreciation and amortisation expense	6	(2,483,456)	(1,799,953)
Operating loss		(13,795,231)	(13,625,770)
Interest income	5	284,461	371,806
Interest expense	6	(17,500)	(9,448)
Loss before tax		(13,528,270)	(13,263,412)
Income tax expense	7	(78,183)	(114,188)
Loss after income tax expense for the year attributable to the owners of iCar Asia Limited and Controlled Entities	18	(13,606,453)	(13,377,600)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation		2,641,514	258,611
Remeasurements of employee defined benefit		36,472	-
Other comprehensive income for the year, net of tax		2,677,986	258,611
Total comprehensive income for the year attributable to the owners of iCar Asia Limited and Controlled Entities		(10,928,467)	(13,118.989)

Earnings Per Share		**Cents**	**Cents**
Basic loss per share	31	(3.57)	(4.12)
Diluted loss per share	31	(3.57)	(4.12)

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

iCar Asia Limited and Controlled Entities
Statement of Financial Position
For the year ended 31 December 2018

	Note	Consolidated 31 Dec 2018 $	Consolidated 31 Dec 2017 $
Assets			
Current assets			
Cash and cash equivalents	8	9,531,721	16,477,295
Investments (term deposits)	8	-	5,000,000
Trade and other receivables and contract assets	9	1,387,490	1,035,590
Other assets	10	2,611,232	1,431,203
Total current assets		**13,530,443**	**23,944,088**
Non-current assets			
Property, plant and equipment	11	658,976	675,986
Intangibles	12	9,449,734	8,459,922
Goodwill	12	19,656,770	17,675,289
Other non-current assets		27,491	26,619
Total non-current assets		**29,792,971**	**26,837,816**
Total assets		**43,323,414**	**50,781,904**
Liabilities			
Current liabilities			
Trade and other payables	13	2,790,650	1,752,039
Contract liabilities	4	1,307,912	914,974
Provisions	14	1,786,672	1,389,725
Total current liabilities		**5,885,234**	**4,056,738**
Non-current liabilities			
Provisions	15	416,677	308,672
Total non-current liabilities		**416,677**	**308,672**
Total liabilities		**6,301,911**	**4,365,410**
Net assets		**37,021,503**	**46,416,494**
Equity			
Issued capital	16	123,656,458	122,493,347
Reserves	17	(6,792,364)	(9,804,243)
Accumulated losses	18	(79,842,591)	(66,272,610)
Total equity		**37,021,503**	**46,416,494**

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

iCar Asia Limited and Controlled Entities
Statement of Changes in Equity
For the year ended 31 December 2018

	Issued capital	Foreign currency translation reserve	Equity reserve	Share based payment reserve	Accumulated losses	Total equity
	$	$	$	$	$	$
Balance at 1 January 2018	122,493,347	(317,368)	(10,965,292)	1,478,417	(66,272,610)	46,416,494
Loss after income tax expense for the period	-	-	-	-	(13,606,453)	(13,606,453)
Other comprehensive income for the period, net of tax	-	2,641,514	-	-	36,472	2,677,986
Total comprehensive income for the period	-	2,641,514	-	-	(13,569,981)	(10,928,467)
Transactions with owners in their capacity as owners						
4,884,919 shares issued during the period	1,200,741	-	-	(905,640)	-	295,101
Transaction costs (net of tax)	(37,630)	-	-	-	-	(37,630)
Share to be issued in lieu of directors' remuneration	-	-	-	275,000	-	275,000
Executive variable remuneration	-	-	-	1,001,005	-	1,001,005
Balance at 31 December 2018	**123,656,458**	**2,324,146**	**(10,965,292)**	**1,848,782**	**(79,842,591)**	**37,021,503**

	Issued capital	Foreign currency translation reserve	Equity reserve	Share based payment reserve	Accumulated losses	Total equity
	$	$	$	$	$	$
Balance at 1 January 2017	112,553,083	(575,979)	(10,965,292)	1,191,254	(52,895,010)	49,308,056
Loss after income tax expense for the period	-	-	-	-	(13,377,600)	(13,377,600)
Other comprehensive income for the period, net of tax	-	258,611	-	-	-	258,611
Total comprehensive income for the period	-	258,611	-	-	(13,377,600)	(13,118,989)
Transactions with owners in their capacity as owners						
30,145,692 shares issued during the period	10,511,539	-	-	(511,795)	-	9,999,744
Transaction costs (net of tax)	(571,275)	-	-	-	-	(571,275)
Share to be issued in lieu of directors' remuneration	-	-	-	295,000	-	295,000
Executive variable remuneration	-	-	-	503,958	-	503,958
Balance at 31 December 2017	**122,493,347**	**(317,368)**	**(10,965,292)**	**1,478,417**	**(66,272,610)**	**46,416,494**

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

iCar Asia Limited and Controlled Entities
Statement of Changes in Cash Flows
For the year ended 31 December 2018

	Note	Consolidated 2018 $	2017 $
Cash flows from operating activities			
Receipts from customers		13,688,016	9,394,557
Payments to suppliers and employees		(25,408,005)	(23,066,884)
Income tax paid		(83,120)	(119,408)
		(11,803,109)	(13,791,735)
Interest received		333,299	436,712
Interest paid		-	(37,427)
Net cash used in operating activities	30	(11,469,810)	(13,392,450)
Cash flows from investing activities			
Payments for property, plant and equipment		(262,971)	(177,818)
Payments for intangibles		(456,201)	(998,067)
Net cash used in investing activities		(719,172)	(1,175,885)
Cash flows from financing activities			
Proceeds from issue of shares		295,101	9,999,743
Proceeds from options exercised		-	-
Share issue transaction costs		(51,693)	(564,077)
Repayment of borrowings		-	(467,844)
Net cash provided by financing activities		243,408	8,967,822
Net decrease in cash and cash equivalents		(11,945,574)	(5,600,513)
Cash and cash equivalents at the beginning of the period		21,477,295	27,077,808
Cash, cash equivalents and investments at the end of the year	8	**9,531,721**	**21,477,295**

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

1. Corporate information

The consolidated financial statements of iCar Asia Limited and its subsidiaries (collectively, the 'Group') for the year ended 31 December 2018 were authorised for issue in accordance with a resolution of Directors made on 21 February 2019. The Directors have the power to amend and reissue the financial report.

iCar Asia Limited is a for profit public company incorporated in Australia and is listed on the Australian Securities Exchange. The Group's principal place of business is Centerpoint North Tower, Mid Valley City Lingkaran Syed Putra, Kuala Lumpur, Malaysia.

The Group's principal activities during the year were the development and operation of internet based automotive portals in South East Asia.

2. Summary of significant accounting policies

2.1 Basis of preparation

The financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board. The financial report has also been prepared on a historical cost basis.

All amounts are presented in Australian dollars and are rounded to the nearest dollar unless otherwise stated.

Going concern basis of accounting

The consolidated financial statements have been prepared on a going concern basis. The Group has incurred a loss after tax of $13,606,453 in the current financial year (2017: $13,377,600 loss). The Group has an available cash balance of $9,531,721 (2017: $ 16,477,295) and net assets of $37,021,503 (2017: $46,416,494) at 31 December 2018. Management and the Directors believe there are reasonable grounds to consider the Group will continue as a going concern based on the Group's trading and cash flow forecasts.

2.2 Compliance with International Financial Reporting Standards (IFRS)

The financial report also complies with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

2. Summary of significant accounting policies (continued)

2.3 Changes in accounting policies, disclosures, standards and interpretations

(i) Changes in accounting policies, new and amended standards and interpretations

The Group applied, for the first time, certain standards and amendments which are effective for annual periods beginning on or after 1 January 2018.The nature and the impact of each new standard and/or amendment is described below:

Adoption of AASB 15 Revenue from Contracts with Customers (‘AASB 15’)

The Group has applied AASB 15 Revenue from Contracts with Customers (‘AASB 15’) from 1 January 2018 in accordance with the modified retrospective transitional approach using the practical expedients for completed contracts. That is, contracts that are still on-going as at 1 January 2018 have been accounted for as if they had been recognised in accordance with AASB 15 at the commencement of the contract.

The Group assessed the impact of the new standard by analysing its customer contracts in each of the Group’s revenue streams described in Note 4, having regard to the requirements of AASB 15 comparing the Group’s accounting policies and practices for accounting for the rights and obligations identified in those contracts and identify potential differences. Some of the key issues considered were the timing and amount of the recognition of revenue for prepaid bump credits (a 'bump' is a product which promotes a listing); the estimates and judgements involved in allocating the transaction price for bundled products comprising listings and bump credits based on their relative stand-alone selling prices; and identifying whether iCar is principal or agent in the sale of third party warranty, finance and insurance products.

Based on this analysis, there is no material impact on the recognition and measurement of revenue and contract costs on the adoption of AASB 15 at 1 January 2018.

AASB 15 does however require the Group to include in the financial statements certain additional information in respect of the Group’s revenue streams. These disclosures are included in Note 4. Further, AASB 15 uses the terms ‘contract asset’ and ‘contract liability’ to describe the balances historically termed ‘accrued revenue’ and ‘deferred revenue’ by the Group. The Group has adopted the terminology used in AASB 15 to describe such balances.

Adoption of AASB 9 Financial Instruments (‘AASB 9’)

The Group has applied AASB 9 from 1 January 2018. The impact of the new standard on the Group relates to application of the forward-looking ‘expected credit loss’ model for assessing the impairment of the Group’s trade receivables as well as the new requirements in AASB 9 for the classification of financial assets as being measured at amortised cost, fair value through other comprehensive income (‘FVOCI’) or fair value through profit or loss (‘FVTPL’).

Under AASB 9, debt instruments are subsequently measured at fair value through profit or loss, amortised cost, or fair value through OCI. The classification is based on two criteria: the Group's business model for managing the assets; and whether the instruments' contractual cash flows represent 'solely payments of principal and interest' on the principal amount outstanding.

2. Summary of significant accounting policies (continued)

2.3 Changes in accounting policies, disclosures, standards and interpretations (continued)

(i) Changes in accounting policies, new and amended standards and interpretations (continued)

Adoption of AASB 9 Financial Instruments ('AASB 9') (continued)

The assessment of the Group's business model was made as of the date of initial application, 1 January 2018. The assessment of whether contractual cash flows on debt instruments are solely comprised of principal and interest was made based on the facts and circumstances as at the initial recognition of the assets.

The classification and measurement requirements of AASB 9 did not have a significant impact to the Group. The Group continued measuring at fair value through profit or loss all financial assets previously held at fair value under AASB 139.

Trade receivables classified as Loans and receivables as at 31 December 2017 are held to collect contractual cash flows and give rise to cash flows representing solely payments of principal and interest. These are classified and measured as Debt instruments at amortised cost beginning 1 January 2018.

The Group does not currently undertake any hedging activities and does not have any financial liabilities designated as measured at FVTPL. Therefore the new AASB 9 requirements relating to these areas do not impact the Group.

The adoption of AASB 9 has changed the Group's accounting for impairment losses for financial assets by replacing AASB 139's incurred loss approach with a forward-looking expected credit loss approach. AASB 9 requires the Group to recognise an allowance for expected credit loss for all debt instruments not held at fair value through profit or loss and contract assets.

Based on past performance and future expectations of continued minimal bad debts due to the tight monitoring by management, there was no material impact from the adoption of the expected credit loss model at 1 January 2018.

Adoption of 2016-5 Amendments to Australian Accounting Standards – Classification and Measurement of Share-based Payment

The Group has applied 2016-5 Amendments to Australian Accounting Standards – Classification and Measurement of Share-based Payment from 1 January 2018. This standard amends AASB 2 Share-based Payment, clarifying how to account for certain types of share-based payment transactions. The Group has not undertaken the types of share-based payment transactions to which the new requirements apply and therefore this is no impact on the financial position or performance of the Group in the current period.

2. Summary of significant accounting policies (continued)

2.3 Changes in accounting policies, disclosures, standards and interpretations (continued)

(ii) Accounting Standards and Interpretations issued but not yet effective

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective and have not been adopted by the Group for the year ended 31 December 2018 are outlined below:

AASB 16 Leases ('AASB 16')

AASB 16 was issued in January 2016 and it replaces AASB 117 'Leases', AASB Interpretation 4 'Determining whether an Arrangement contains a Lease', AASB Interpretation 115 'Operating Leases-Incentives' and AASB Interpretation 127 'Evaluating the Substance of Transactions Involving the Legal Form of a Lease'. AASB 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under AASB 117. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets and short-term leases. At the commencement date of a lease, a lessee will recognise a liability to make lease payments and an asset representing the right to use the underlying asset during the lease term. Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Lessees will be also required to remeasure the lease liability upon the occurrence of certain events. The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

AASB 16, which is effective for annual periods beginning on or after 1 January 2019, requires lessees to make more extensive disclosures than under AASB 117.

The most significant impact identified based on an initial assessment is that the Group will recognise new right of use assets and financial liabilities for its operating lease commitments for office buildings and office equipment. The current accounting treatment of recognising operating lease expenses in Premises and infrastructure expenses in the Statement of Comprehensive Income will also change on adoption of AASB 16, with amortisation of the lease expense recognised in both Depreciation and amortisation expense and Interest expense.

As lessee, the Group can either apply the standard using a:
a) Retrospective approach; or
b) Modified retrospective approach with optional practical expedients.

The lessee applies the transition election consistently to all of its leases.

The Group plans to apply AASB 16 using the modified retrospective approach. The Group intends to elect to apply the standard to contracts that were previously identified as a lease applying AASB 117 and AASB Interpretation 4.

The Group intends to elect to use the exemptions proposed by the standard on lease contracts for which the lease terms ends within 12 months as of the date of initial application, and lease contracts for which the underlying asset is of low value. The Group has leases of certain office equipment that are considered of low value.

The Group has completed an initial assessment of the potential impact on its consolidated financial statements. The actual impact of applying AASB 16 on the financial statements from 1 January 2019 is still being determined and is dependent on the Group's borrowing rate, the composition of the Group's lease portfolio, the Group's assessment of whether it will exercise any renewal options and the extent to which the Group chooses to use practical expedients and recognition exemptions. The cumulative effect of adopting AASB 16 will be recognised as an adjustment to the opening balance of retained earnings, with no restatement of comparative information.

2. Summary of significant accounting policies (continued)

2.3 Changes in accounting policies, disclosures, standards and interpretations (continued)

AASB Interpretation 23 Uncertainty over Income Tax Treatment

The Interpretation addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of AASB 112 and does not apply to taxes or levies outside the scope of AASB 112, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The Interpretation specifically addresses the following:

- Whether an entity considers uncertain tax treatments separately
- The assumptions an entity makes about the examination of tax treatments by taxation authorities
- How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates
- How an entity considers changes in facts and circumstances

This interpretation is effective for annual reporting periods on or after 1 January 2019, and certain transition reliefs are available. The Group is assessing the impact of this interpretation.

2.4 Significant accounting policies

a) Basis of consolidation

The consolidated financial statements incorporate the assets and liabilities of the Group at 31 December 2018 and the results for the year then ended.

Subsidiaries are all those entities over which the Group has control. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

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

The effects of potential exercisable voting rights are considered when assessing whether control exists. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

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

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. Refer to the 'business combinations' accounting policy for further details. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

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

2. Summary of significant accounting policies (continued)

2.4 Significant accounting policies (continued)

b) Current versus non-current classification (continued)

The Group presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period

Or

- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period

Or

- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

c) Business combinations

The acquisition method of accounting is used to account for business combinations regardless of whether equity instruments or other assets are acquired.

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

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

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

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

2. Summary of significant accounting policies (continued)

2.4 Significant accounting policies (continued)

c) Business combinations (continued)

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

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

d) Foreign currency translation

The financial report is presented in Australian dollars, which is the functional currency of the parent entity and the presentation currency of the Group.

Foreign currency transactions

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

Foreign operations

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the balance sheet date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognised in profit or loss in the period in which they arise except for exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned or likely to occur, which form part of the net investment in a foreign operation, and which are recognised in the foreign currency translation reserve and recognised in profit or loss on disposal of the net investment.

On consolidation, the assets and liabilities of the Group's foreign operations are translated into Australian dollars, being the Group's presentation currency, at exchange rates prevailing on the balance sheet date. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are classified as equity and transferred to the Group's translation reserve. Such exchange differences are recognised in profit or loss in the period in which the foreign operation is disposed.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the closing spot rate at the reporting date.

2. Summary of significant accounting policies (continued)

2.4 Significant accounting policies (continued)

e) Revenue from contracts with customers

The Group is in the business of operating internet based automotive portals. The portals cater to two automotive market segments, being used car buyers and new car buyers.

Revenue is measured based on the consideration specified 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.

The Group assesses each arrangement to determine whether the Group acts as principal or agent based on whether the Group controls the product or service before transferring it to the end customer. Where the Group acts as principal, revenue is recorded on a gross basis versus on a net basis where the Group acts as agent.

Used Car

Classifieds revenue
(a) Subscription revenue – Customers (car sellers) pay a subscription fee to have access to iCar's websites to advertise cars for sale. Subscription periods are typically for 6 or 12 months and are paid upfront by the customer.
(b) Depth credits revenue – Depth credits allow a customer to enhance the visibility of their car sale listing on iCar's websites by 'bumping' their advertisement higher up the search listing on the site. Depth credits are paid for upfront and are able to be used by the customer for a specified period of time before expiry. The expiry period ranges from 4 to 24 weeks.

Auction Commissions
Customers (car sellers) list cars for sale by way of buyer auction facilitated by iCar's websites. For facilitating the auction on our websites, iCar earns an auction commission from the car seller based on a percentage of the sale price of the car, when the car is sold.

Other Commissions
Commissions are earned by iCar in relation to the sale of warranty, inspection and private seller service. In these arrangements, iCar acts as agent not principal, as iCar does not control the services before they are transferred to the customer.

New Car

New Car Dealers
(a) Subscription revenue – Dealers pay a subscription fee to have access to iCar's websites to advertise cars for sale. Subscription periods are for 6 or 12 months and are paid upfront by the dealers.
(b) Lead Revenue – Dealers pay for lead packets generated by iCar's websites that they may use to pursue and close out a new car sale transaction. Prepaid lead credits are paid for upfront and are able to be used by the dealer for a specified period of time before expiry. The expiry period ranges from 3 months to 6 months.

Media
Automotive and non-automotive customers promote their companies using on-site banner, video placement, electronic direct mail or via the use of 'advertorial' written or video content. Payment is generally due within 30 to 90 days of delivery. Revenue is recognised:

- on a straight line basis according to the proportion of the period of the campaign that has elapsed. Invoices paid prior to the completion of the project will be initially recognised as a contract liability in the statement of
- financial position and recognised on a straight line basis as the services are delivered;
- on the delivery or mailing of such a product where there are no remaining obligations to maintain or host content.

Where the Group provides media advertising services to a customer and in exchange receives non-cash consideration in the form of products or services, the Group applies the requirements of AASB 13 Fair Value Measurement in measuring the value of the products or services received, If the fair value of the services or products received cannot be reasonably estimated, the consideration is measured indirectly by reference to the stand-alone selling price of the media advertising services provided.

2. Summary of significant accounting policies (continued)

2.4 Significant accounting policies (continued)

e) Revenue from contracts with customers (continued)

Events
iCar holds physical automotive events for one manufacturer or a multi-brand event including parts, accessories and ancillary services.

For the purposes of allocating event consideration between performance obligations, the standalone selling price of the floor space / services at the event ('booth space') is estimated on a cost plus standard margin basis whereby the larger the booth space, the cheaper the per square metre price. Booth space revenue is recognised when the event takes place.

Allocation of the transaction price for bundled services
Where services are sold as a bundled offering, the Group allocates the consideration to each service based on the relative standalone selling prices for each service. The standalone selling prices are observable as the Group regularly sells each service on a standalone basis.

Significant financing component
Due to the short-term nature of advances from customers, the Group's customer contracts do not contain a significant financing component.

Contract balances
Trade receivables
A receivable represents the Group's right to an amount of consideration that is unconditional. Refer to accounting policies of financial assets in section l) Financial instruments – initial recognition and subsequent measurement.

Contract assets
A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Contract liabilities
A contract liability is the obligation to transfer goods or services to customer for which the Group has received consideration from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due. Contract liabilities are recognised as revenue when the Group performs the service under the contract.

Rendering of services
For the comparative year, revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.

Costs to obtain a contract
Sales employees are set targets based on total revenue and specific activities within their allocated client base and are rewarded tiered percentages of their contracted commission pools. In the circumstances where the commissions are incremental to obtain the customer contract, the Group has elected to apply the optional practical expedient for costs to obtain a contract which allows the Group to immediately expense sales commissions because the amortisation period of the asset that the Group otherwise would have used is one year or less.

2. Summary of significant accounting policies (continued)

2.4 Significant accounting policies (continued)

f) Taxes

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

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

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

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

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

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

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. The adjustment is either treated as a reduction in goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or recognised in profit and loss.

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

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

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

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

2. Summary of significant accounting policies (continued)

2.4 Significant accounting policies (continued)

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:

Plant and equipment	2-5 years
Office equipment	3-5 years
Furniture and fittings	3-5 years
Leased plant and equipment	3-5 years

The useful lives are unchanged from the prior reporting period.

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

h) Leases

The determination of whether an arrangement is a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset and the arrangement conveys a right to use the asset, even if that asset is not explicitly in an arrangement.

Group as a lessee
A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease.

Finance lease are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit or loss.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

An operating lease is a lease other than a finance lease. Operating lease payments are recognised as an operating expense in the statement of profit or loss on a straight-line basis over the lease term.

2. Summary of significant accounting policies (continued)

2.4 Significant accounting policies (continued)

i) 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 Group's previously held equity interest in the acquiree (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 Group's previously held equity interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Intangible assets acquired in a business combination
Intangible assets acquired in a business combination are identified and recognised separately from goodwill where they satisfy the definition of an intangible asset and their fair values can be measured reliably. Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets acquired separately.

Intangible assets acquired separately
Intangible assets acquired separately are recorded at cost less accumulated amortisation and impairment. Amortisation is charged on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method is reviewed at the end of each annual reporting period, with any changes in these accounting estimates being accounted for on a prospective basis.

Internally-generated intangible assets – research and development expenditure
Expenditure on research activities is recognised as an expense in the period in which it is incurred. Where no internally-generated intangible asset can be recognised, development expenditure is recognised as an expense in the period as incurred.

An intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset;
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Employee costs included in internally generated intangible assets are included in operating activities under payments to supplier and employees in the cash flow statement. Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets acquired separately. Internally generated intangible assets are generally amortised over 3 - 5 years.

2. Summary of significant accounting policies (continued)

2.4 Significant accounting policies (continued)

i) Intangible assets (continued)

Acquired software
Software is not considered to have an indefinite life and is generally amortised over 3 - 5 years. If at any point the software is no longer in use or continuing to generate future economic benefits it will be written down to zero.

Intangible Assets with indefinite useful life
Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

j) Impairment of non-financial assets

Goodwill is not amortised but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units ('CGUs') to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired and these CGU's are not larger than an operating segment. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

The recoverable amount of a CGU is the higher of its fair value less costs of disposal and its value in use. The Group bases its impairment calculations on detailed budget and forecast calculations which are prepared separately for each CGU covering a period of five years. The first year of the period becomes the Annual Budget for the Group for the following year. A further four years are extrapolated at projected growth rates for both revenue and costs which management consider are appropriate for the business cycle and the markets the CGUs operate in. The five year cashflows are discounted using a weighted average cost of capital ('WACC'). WACC calculations are made for each CGU based upon prevailing long-term bond rates and market risk premiums. CGU-specific terminal multiples ('TMs') are applied to discounted fifth year cashflows. The TM is derived from WACC rates and long-term growth rates ('LTGR') using Gordon's Growth Formula.

Given the sensitivity of growth rates for both revenue and expenses due to stage of where the Group and the markets for which it operates are at, a range of possible scenarios are modelled to assess the carrying value of goodwill for impairment. These scenarios include: uplifts and downgrades of revenue assumptions and WACC and LTGR rates above and below those calculated.

On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

k) Cash and cash equivalents

Cash comprises cash on hand and on demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. The Group holds no bank overdraft.

2. Summary of significant accounting policies (continued)

2.4 Significant accounting policies (continued)

l) Financial instruments - initial recognition and subsequent measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i) Financial assets
Initial recognition and measurement
Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends oin the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under AASB 15. Refer to the accounting policies in section 2.4 (e).

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Subsequent measurement
For purposes of subsequent measurement, financial assets are classified in four categories:
- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

Financial assets at amortised cost (debt instruments)
The Group measures financial assets at amortised cost if both of the following conditions are met:
- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows, and
- 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

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Group's financial assets at amortised cost are trade receivables.

Derecognition
A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:
- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement.

2. Summary of significant accounting policies (continued)

2.4 Significant accounting policies (continued)

I) Financial instruments - initial recognition and subsequent measurement (continued)

Impairment of financial assets
The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

For trade receivables and contract assets, the Group applies a simplified approach in calculating expected credit losses (ECLs). Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has assessed the risk from a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group considers a financial asset in default when contractual payments are 365 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

ii) Financial liabilities
Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables and loans and borrowings.

Subsequent measurement
After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

2. Summary of significant accounting policies (continued)

2.4 Significant accounting policies (continued)

l) Financial instruments - initial recognition and subsequent measurement (continued)

Derecognition
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

iii) Offsetting of financial instruments
Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

m) Finance costs

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred, including interest on short-term and long-term borrowings.

n) Provisions

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

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

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

o) Employee benefits

Wages and salaries, annual leave and long service leave

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. 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.

Defined contribution superannuation expense

Contributions to defined contribution superannuation plans are expensed when incurred.

2.4 Significant accounting policies (continued)

o) Employee benefits (continued)

Defined benefit pension plan

In Indonesia, the Group provides a defined benefit pension plan to its employees in conformity with the requirements of Indonesia Labour Law No. 13/2003. The cost of providing benefits under the defined benefit pension plan is determined using the projected unit credit method.

The Group applies the policy for recognising actuarial gains or losses, which are directly recognised in other comprehensive income.

All past service costs are recognised at the earlier of when the amendment/curtailment occurs and when the related restructuring or termination costs are recognized. As a result, unvested past service costs can no longer be deferred and recognised over the future vesting period.

Share-based payments

The Group measures the cost of equity settled transactions with employees and other parties based on the fair value of the equity provided at the grant date.

Where it is with employees in relation to performance payments in the future, the fair value is estimated based on an estimation of the probability of all performance criteria being met. This value is then used to discount the current value of the equity to determine an appropriate amount to be expensed each period until the vesting date. The estimate will have no impact on the carrying amount of the assets or liabilities of the company but may impact the value of expenses and equity in the current and future periods.

Market conditions are taken into consideration in determining fair value. Therefore any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

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

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

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

p) Issued capital

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.

q) Earnings per share

Basic earnings per share

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

2. Summary of significant accounting policies (continued)

2.4 Significant accounting policies (continued)

q) Earnings per share

Diluted earnings per share

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

3. Critical accounting judgements, estimates and assumptions

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

Revenue from contracts with customers

The Group applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers:

The Group provides media services that are either sold separately or bundled together as part of a customer campaign. The media services are a promise to transfer services in the future and are part of the negotiated exchange between the Group and the customer. The Group determined that the performance obligations (on-site banner, video placement, electronic direct mail or via the use of ‘advertorial’ written or video content) are capable of being distinct. The fact that the Group regularly sells these services on a stand-alone basis indicates that the customer can benefit from both products on their own. Consequently, the Group allocated a portion of the transaction price to each of the services in the customer contract based on relative stand-alone selling prices.

The Group engages in partnership agreements with entities in the online media, finance and automotive sectors to cross-promote goods and services. The Group is required to estimate the fair value of the cash and non-cash consideration received or promised from the customer for goods or services received, and where this is not possible, estimate the fair value of the goods or services provided.

Provision for expected credit losses of trade receivables and contract assets

The Group uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Group’s historical observed default rates. The Group has calibrated the matrix to adjust the historical credit loss experience with forward-looking information. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. The Group has historically experienced low levels of non-collection as the customers to which credit has been extended are large, credit-worthy institutions. Smaller customers, in particular the dealers that advertise on iCar’s wesbites, are required to pay in advance.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs may be sensitive to changes in circumstances and of forecast economic conditions. The Group’s historical credit loss experience and forecast of economic conditions may also not be representative of customer’s actual default in the future.

3. Critical accounting judgements, estimates and assumptions

Estimation of useful lives of assets

The Group determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Goodwill and other indefinite life intangible assets

The Group tests annually, or more frequently if events or changes in circumstances indicate impairment, whether goodwill and other indefinite life intangible assets have suffered any impairment, in accordance with the accounting policy stated in note 12. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of assumptions, including estimated discount rates based on the current cost of capital and growth rates of the estimated future cash flows.

Development costs

The Group capitalises costs for product development projects, related to Customer Relationship Management platforms, websites and mobile applications. Initial capitalisation of costs is based on management's judgement that technological and economic feasibility is demonstrated. In determining the amounts to be capitalised, management makes assumptions regarding the expected future cash generation of the project, discount rates to be applied and the expected period of benefits.

Share-based payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which depends on the terms and conditions of the grant. The estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option or appreciation right, volatility and dividend yield and making assumptions about them. See note 32 Share-based payments for further details.

Defined benefit pension plan

The present value of pension obligations are determined using the projected unit credit method. Actuarial valuation includes making various assumptions which consist of, among other things, discount rates, rates of compensation increases, disability rate and mortality rates. Actual results that differ from the Group's assumptions are recognised as actuarial gain/loss in other comprehensive income. Due to the complexity of the valuation, the underlying assumptions and the long-term nature of the obligation, a defined benefit obligation is highly sensitive to changes in assumptions.

While the Group believes that its assumptions are reasonable and appropriate, significant differences in the Group's actual experience or significant changes in its assumptions may materially affect the costs and obligations of pension and other long-term employee benefits. All assumptions are reviewed at each reporting date.

4. Revenue

A. Disaggregation of revenue

In the following table, revenue is disaggregated by major products/services and primary geographical market.

	Consolidated	
	2018	2017[1]
	$	$
Segments		
Type of service		
Used Cars	6,745,414	5,247,492
New Cars	4,810,530	3,864,006
Total revenue from contracts with customers	11,555,944	9,111,498
Geographical markets		
Malaysia	5,340,716	4,567,506
Thailand	5,069,584	3,818,442
Indonesia	1,145,644	725,550
Total revenue from contracts with customers	11,555,944	9,111,498
Timing of revenue recognition		
Services transferred at a point in time:		
Used Cars	4,838,807	3,621,732
New Cars	617,078	519,990
Services transferred over time:		
Used Cars	1,906,607	1,625,760
New Cars	4,193,452	3,344,016
Total revenue from contracts with customers	11,555,944	9,111,498

[1] As described in Note 2.3, the Group applied AASB 15 from 1 January 2018 using the modified retrospective approach. As there was no material impact resulting from the adoption of this new standard, comparative information on disaggregation of revenue has been presented to provide a like-for-like and comparable view. In the 2017 financial statements, all revenue was classified as 'Rendering of services' and recognised according to that accounting policy.

B. Contract balances

The following table provides information about receivables, contract assets and contract liabilities with customers.

	Consolidated	
	2018	2017
	$	$
Trade receivables (Note 9)	1,063,499	861,429
Contract assets[2]	363,694	162,730
Contract liabilities[2]	1,307,912	914,974

[2] As described in Note 2.3, the Group applied AASB 15 from 1 January 2018 using the modified retrospective approach. In the 2017 financial statements, contract assets was classified as accrued revenue (as a sub-part of Trade and other receivables) and contract liabilities was classified as deferred revenue (as a sub-part of Trade and other payables). Comparative information has been presented to provide a like-for-like view.

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

4. Revenue (continued)

Contract assets are initially recognised for revenue earned from media services as receipt of consideration is conditional on successful completion of the services. Upon completion of the services, and invoice to the customer, the amounts recognised as contract assets are reclassified to trade receivables.

Contract liabilities are upfront payments from customer for subscriptions and depth credits, both in the used car and new car market segments. The outstanding balances of these accounts increased in 2018 due to the continuous increase in the Group's customer base, growth in the New Car segment and price increases for both subscriptions and depth credits. Contract liabilities recorded as at 1 January 2018 (being the date of initial application of AASB 15) has been recognised as revenue in full in the current year ($914,974).

As the Group's customer contracts have an original expected duration of one year or less, the Group has elected not to disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied as of the end of the reporting period. There is no variable consideration in iCar's contracts with customers, therefore there is no consideration from contracts with customers that is not included in the transaction price.

C. Performance obligations

Information about the Group's performance obligations are summarised below:

<u>Used Car</u>

Classifieds

(a) Subscription revenue - the performance obligation is satisfied on a straight line basis over time on the term of the subscription agreement contract.
(b) Depth credits revenue - performance obligation is satisfied upon the usage of depth credits.

Auction Commissions
Performance obligation is satisfied upon notification of 'car delivery' to the buyer by the seller.

Other Commissions

(a) Warranty - performance obligation is satisfied upon acquisition of the customer contract for the principal.
(b) Inspection - performance obligation is satisfied upon acquisition of the customer contract for the principal.
(c) Private seller service - performance obligation is satisfied upon acquisition of the customer contract for the principal.

<u>New Car</u>

New Car Dealers

(a) Subscription revenue - the performance obligation is satisfied on a straight line basis over time on the term of the subscription agreement contract.
(b) Depth credits revenue - performance obligation is satisfied upon the credit is used by dealers to purchase lead packets.

Media
Performance obligation is satisfied over time on a straight line basis according to the proportion of the period of the campaign that has elapsed.

Events
Performance obligation is satisfied upon the event takes place. Where an event also includes media services, the performance obligation is satisfied upon services delivered to customers.

5. Segment information

Identification of reportable segments
The Group identifies the chief operating decision maker ('CODM') as the executive management team. Information reported to the executive management team for the purposes of resource allocation and assessment of performance is more specifically focused on the geographic location of services provided. Consistent with information presented for internal executive management reporting purposes, the result of each segment is measured based on earnings before interest, tax, depreciation and amortisation ('EBITDA').

The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements.

The company's reportable segments comprise Malaysia, Thailand and Indonesia. No operating segments have been aggregated to form the below reportable segments.

Intersegment transactions
Intersegment transactions were made at market rates. Intersegment transactions are eliminated on consolidation.

Allocation of resources between segments
All assets are allocated to reportable segments except deferred tax assets as these are not recognised.
All liabilities are allocated to reportable segments except deferred tax liabilities.

Major customers
Revenue is generated from external customers. The Group does not have a major customer that contributes 10% or more to the Group's revenue.

5. Segment information (continued)

Operating segment information

Consolidated - 2018	Malaysia $	Indonesia $	Thailand $	Unallocated $	Total $
Revenue					
Revenues from external customers	5,340,716	1,145,644	5,069,584	-	11,555,944
Operating expenses	(5,646,496)	(4,584,468)	(5,641,657)	(6,995,098)	(22,867,719)
Loss before Interest, tax, depreciation and amortisation	(305,780)	(3,438,824)	(572,073)	(6,995,098)	(11,311,775)
Depreciation and amortisation	(107,169)	(57,657)	(408,269)	(1,910,361)	(2,483,456)
Interest income	7,608	314	150	276,389	284,461
Interest expense	-	-	-	(17,500)	(17,500)
Loss before income tax expense	(405,341)	(3,496,167)	(980,192)	(8,646,570)	(13,528,270)
Income tax expense	-	-	-	(78,183)	(78,183)
Loss after income tax expense					(13,606,453)
Assets					
Segment assets	3,770,054	2,329,103	23,063,212	14,161,045	43,323,414
Total assets					43,323,414
Non-current assets[1]	2,077,074	21,516,464	130,384	6,069,049	29,792,971
Liabilities					
Segment liabilities	1,692,954	1,808,963	1,776,843	1,023,151	6,301,911
Total liabilities					6,301,911

[1] Carrying amount of non-current assets excludes financial instrument assets, deferred tax assets and defined benefit assets, of which the Group has none.

5. Segment information (continued)

Consolidated - 2017	Malaysia $	Indonesia $	Thailand $	Unallocated $	Total $
Revenue					
Revenues from external customers	4,567,506	725,550	3,818,442	-	9,111,498
Operating expenses	(5,878,279)	(4,556,327)	(4,951,558)	(5,551,151)	(20,937,315)
Loss before Interest, tax, depreciation and amortisation	(1,310,773)	(3,830,777)	(1,133,116)	(5,551,151)	(11,825,817)
Depreciation and amortisation	(115,393)	(49,187)	(395,019)	(1,240,354)	(1,799,953)
Interest income	9,518	119	76	362,093	371,806
Interest expense	(9,448)	-	-	-	(9,448)
Loss before income tax expense	(1,426,096)	(3,879,845)	(1,528,059)	(6,429,412)	(13,263,412)
Income tax expense	-	-	-	(114,188)	(114,188)
Loss after income tax expense					(13,377,600)
Assets					
Segment assets	3,098,583	1,038,464	20,642,529	26,002,328	50,781,904
Total assets					50,781,904
Non-current assets[1]	1,954,086	19,642,241	100,653	5,140,846	26,837,816
Liabilities					
Segment liabilities	1,326,947	990,212	1,192,143	856,108	4,365,410
Total liabilities					4,365,410

[1] Carrying amount of non-current assets excludes financial instrument assets, deferred tax assets and defined benefit assets, of which the Group has none.

6. Expenses

	Consolidated	
	2018	2017
	$	$
Loss before income tax includes the following specific expenses:		
Depreciation		
Leasehold improvements	71,221	60,419
Plant and equipment	221,821	230,698
Fixtures and fittings	16,106	20,603
Total depreciation	309,148	311,720
Amortisation		
Websites, domain names, trademarks and other intangibles	2,174,308	1,488,233
Total depreciation, amortisation and impairment	2,483,456	1,799,953
Interest and finance charges paid/payable	17,500	9,448
Employment and related expenses		
Salaries and wages	7,131,687	6,126,572
Super and pension related	820,967	830,068
Commissions	1,286,179	1,107,600
Other employment benefits	675,326	540,152
Share based payments - equity settled	1,276,005	798,958
Incentives/Bonus	493,989	479,244
Total employment and related expenses	11,684,153	9,882,594

There are currently 403 full-time equivalent employees (2017: 390).

7. Income tax expense

Income tax recognised in profit or loss

	Consolidated 2018 $	2017 $
Current tax		
Current tax expense in respect of the current year	83,640	59,357
Under/(Over) provision of prior year tax	(5,456)	54,831
	78,184	114,188
Deferred tax		
Deferred tax expense recognised in the current year	-	-
Total income tax expense/(benefit) recognised in the current year	78,184	114,188

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

	2018	2017
Loss before tax	(13,528,270)	(13,263,412)
Income tax expense calculated at 30% (2017: 30%)	(4,058,481)	(3,979,024)
Effect of different tax rates of subsidiaries operating in other jurisdictions	654,299	633,434
Deductible costs relating to share issue expenses	(195,673)	(194,554)
Effect of unused tax losses and tax offsets not recognised as deferred tax assets	3,678,039	3,654,332
	78,184	114,188
Unrecognised deferred tax asset	11,569,674	9,848,731

Deferred tax assets have not been recognised in respect of these losses as in the opinion of the directors the recovery of this benefit is uncertain as the subsidiaries to which the losses relate have been loss-making for some time, and there is no other evidence of recoverability in the near future. The tax losses are available for use subject to compliance with relevant tax rules, for offsetting against future taxable profits.

8. Current assets - cash, cash equivalents and investments

	Consolidated 2018 $	2017 $
Cash at bank	2,426,351	1,881,208
Cash on deposit	7,105,370	14,596,087
Cash and cash equivalents	9,531,721	16,477,295
Investments	-	5,000,000
	9,531,721	21,477,295

Investments in 2017 relate to term deposits which matured in March 2018.

9. Current assets - trade and other receivables and contract assets

	Consolidated 2018 $	Consolidated 2017 $
Trade receivables	1,063,499	861,429
Contract assets	363,694	162,730
Accrued interest	16,556	67,690
	1,443,759	1,091,849
Allowance for expected credit losses	(56,259)	(56,259)
	1,387,490	1,035,590

The carrying amounts of trade receivable are assumed to approximate their fair value due to their short term nature.

Trade receivables are non-interest bearing and are generally on 30 to 90 days credit terms.

As at 31 December 2018, the Group has trade receivables of $1,063,499 (2017: $861,429) which is net of an allowance for expected credit losses of $56,259 (2017: $56,259).

Set out below is the movement in the allowance for expected credit losses of trade receivables:

	$
As at 1 January 2017	19,350
Provision for expected credit losses	36,909
Write-off	-
At 31 December 2017	56,259
Provision for expected credit losses	-
Write-off	-
At 31 December 2018	56,259

As at 31 December, the ageing analysis of trade receivables is, as follows:

		Days past due				
Contract assets	**Current**	**<30 days**	**30-60 days**	**61-90 days**	**> 91 days**	**Total**
At 31 December 2018	250,518	24,325	-	4,974	83,878	363,694
At 31 December 2017	83,590	5,098	222	3,196	70,624	162,730

Credit risk management practice

Customer credit risk is managed according to the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on past payment trend. Outstanding customer receivables are regularly monitored.

10. Current assets – other

	Consolidated 2018 $	Consolidated 2017 $
Prepayments	699,894	510,570
Other deposits	247,537	192,868
Other receivables	1,663,801	727,765
	2,611,232	1,431,203

Other receivables relates to GST, VAT, withholding tax and other receivables.

11. Non-current assets - property, plant and equipment

	Consolidated 2018 $	Consolidated 2017 $
Leasehold improvements - at cost	585,529	533,432
Less: Accumulated depreciation and impairment	(392,340)	(294,527)
	193,189	238,905
Plant and equipment - at cost	2,158,952	1,842,334
Less: Accumulated depreciation and impairment	(1,737,067)	(1,445,512)
	421,885	396,822
Furniture and fittings - at cost	141,084	115,162
Less: Accumulated depreciation and impairment	(97,182)	(74,903)
	43,902	40,259
	658,976	675,986

Reconciliations

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

	Leasehold improvements $	Plant and equipment $	Furniture and fittings $	Total $
Consolidated				
Balance at 1 January 2017	118,606	465,717	52,457	636,780
Additions	180,272	163,361	7,289	350,922
Exchange differences	446	(1,558)	1,116	4
Depreciation expense	(60,419)	(230,698)	(20,603)	(311,720)
Balance at 31 December 2017	238,905	396,822	40,259	675,986
Additions	4,049	242,099	16,823	262,971
Exchange differences	21,456	4,785	2,926	29,167
Depreciation expense	(71,221)	(221,821)	(16,106)	(309,148)
Balance at 31 December 2018	193,189	421,885	43,902	658,976

12. Non-current assets- Intangibles and Goodwill

	Consolidated 2018 $	Consolidated 2017 $
Goodwill - at cost	19,656,770	17,675,289
Other intangible assets - at cost	17,492,302	13,311,320
Less: Accumulated amortisation	(8,042,568)	(4,851,398)
	9,449,734	8,459,922
	29,106,504	26,135,211

Reconciliations

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

	Goodwill $	Other intangibles acquired $	Other intangibles Internally generated $	Total $
Consolidated				
Balance at 1 January 2017	17,367,939	3,651,546	3,596,517	24,616,002
Additions	-	-	2,536,197	2,536,197
Exchange differences	307,350	55,570	108,325	471,245
Amortisation expense	-	(307,862)	(1,180,371)	(1,488,233)
Balance at 31 December 2017	17,675,289	3,399,254	5,060,668	26,135,211
Additions	-	-	2,165,661	2,165,661
Exchange differences	1,981,481	359,105	639,354	2,979,940
Amortisation expense	-	(318,881)	(1,855,427)	(2,174,308)
Balance at 31 December 2018	19,656,770	3,439,478	6,010,256	29,106,504

Goodwill of $17,753,928 (2017: $15,921,288) and intangible assets with indefinite useful lives of $2,559,918 (2017: $2,295,672) are allocated to the Thailand cash generating unit ('CGU') after adjusting for foreign exchange rates at the balance sheet date.

Goodwill of $1,902,842 (2017: $1,754,001) is allocated to the Malaysian CGU after adjusting for foreign exchange rates at the balance sheet date.

12. Non-current assets- Intangibles and Goodwill (continued)

Other intangible assets:

	Consolidated	
	2018	**2017**
	$	**$**
Autospinn.com website (Thailand)	354,929	397,865
One2Car.com brand (Thailand)	2,559,918	2,295,672
One2Car.com customer base (Thailand)	524,632	705,716
Intangibles - Customer Relationship Management Platform	2,478,679	2,481,121
Intangibles - Websites and App development	3,437,191	2,474,842
Intangibles - Other	94,385	104,706
	9,449,734	8,459,922

Autospinn.com carrying value is amortised over 10 years. The life of the One2car.com brand intangible assets is indefinite as it is the intention of the Group to always operate the One2car.com brand due its market reputation and high levels of unpaid online traffic. The One2car.com customer base intangible asset has a life of 6 years reflecting historical customer churn. Internally-generated intangible assets are amortised over 3-5 years. Amortisation rates are unchanged from the financial year ended 31 December 2017.

Impairment testing of goodwill and indefinite life intangibles

The Group performed its annual impairment test at 31 December 2018. The Group considers the relationship between its market capitalisation and its book value, among other factors, when assessing for indicators of impairment. As at 31 December 2018, the market capitalisation of the Group was higher than the book value of its equity.

The Group's impairment test for goodwill and intangible assets with indefinite useful lives is determined based on a value-in-use valuation. The value-in-use valuations use cash flow projections based on financial budgets approved by the Board covering a 5 year forecast period, and a terminal value based upon an extrapolation of cash flows beyond the 5 year period using a constant growth rate of 3% per annum. The discount rate applied reflects the current market assessment of the time value of money adjusted for a risk premium to reflect the risk of the specific cash generating units ('CGU').

The 5 year Group cash flows assume that revenues rise significantly year on year due to increased penetration of the used and new car market, the continued migration of advertising monies to from offline to online and a strong ASEAN automotive advertising market. Long term growth rates are set by country reflecting relative long-term GDP growth, consequent rise in car ownership and iCar's market leading positions.

Management have determined the appropriate WACC discount rate and long term growth rates ('LTGR') for each of the CGUs as follows:

	WACC rate	Long term growth rates
Malaysia	14.2% (2017: 14.2%)	3% (2017: 3%)
Thailand	13.2% (2017: 13.2%)	3% (2017: 3%)

The CGU's are equivalent to the reportable segments.

The Malaysian CGU includes the exploitation of Carlist.my and Live Life Drive assets. The Thailand CGU includes the exploitation of the One2Car, Thaicar and Autospinn assets.

12. Non-current assets- Intangibles and Goodwill (continued)

Malaysia CGU

The Group used the CGU's value in use to determine the recoverable amount, which exceeded the carrying amount. The projected cash flows were updated to reflect the 5 year plan assumptions and a pre-tax discount rate of 14.2% (2017: 14.2%) was applied. A long term growth rate of 3% (2017: 3%) was used to extrapolate year 5 cash flows. Management have prepared scenarios to consider the effect of changes in growth rates, discount rate and terminal growth rates.

The recoverable amount of the Malaysian CGU is greater than the carrying value as at 31 December 2018. Variations to the key assumptions used to determine the recoverable amount would result in a change in the assessed recoverable amount. If the variation in assumptions has a negative impact on recoverable amount it could indicate a requirement for an impairment expense.

The recoverable amount of the Malaysian CGU was tested for sensitivity using reasonably possible changes in key assumptions. If in isolation the revenue growth rate decreased by 42% per annum over the 5 year forecast period then the recoverable amount would be equal to the carrying amount of the Malaysian CGU at 31 December 2018. No other reasonable possible changes in assumptions that would result in an impairment were identified by management.

Thailand CGU

The Group used the CGU’s value-in-use valuation to determine the recoverable amount, which exceeded the carrying amount. The projected cash flows were updated to reflect the 5 year plan assumptions and a pre-tax discount rate of 13.2% (2017: 13.2%) was applied. A long term growth rate of 3% (2017: 3%) was used to extrapolate year 5 cash flows. Management have prepared scenarios to consider the effect of changes in growth rates, discount rate and terminal multiples.

The recoverable amount of the Thailand CGU is greater than the carrying value as at 31 December 2018. Variations to the key assumptions used to determine the recoverable amount would result in a change in the assessed recoverable amount. If the variation in assumptions has a negative impact on recoverable amount it could indicate a requirement for an impairment expense.

The recoverable amount of the Thailand CGU was tested for sensitivity using reasonably possible changes in key assumptions. If in isolation the revenue growth rate decreased by 20% per annum over the 5 year forecast period then the recoverable amount would be equal to the carrying amount of the Thailand CGU at 31 December 2018. No other reasonable possible changes in assumptions that would result in an impairment were identified by management.

13. Current liabilities - trade and other payables

	Consolidated	
	2018	2017
	$	$
Trade payables and accruals	2,790,650	1,752,039

Refer to note 21 for further information on financial instruments.

The average credit period on purchases is normally 30 to 60 days. No interest is payable on trade payables. The consolidated entity has financial risk management in place to ensure that all payables are paid within the credit time frame.

14. Current liabilities – provisions

	Consolidated	
	2018	2017
	$	$
Employee benefits	157,107	171,116
Staff incentives and bonuses	1,357,670	919,003
Other	271,895	299,606
	1,786,672	1,389,725

The employee benefits category is composed of the compensated annual leave provision for the year. The 2018 carried forward balance is expected to be utilised by March 2019 in line with company leave policies.

The staff incentives and bonuses provision is expected to be paid to employees by the end of March 2019.

The other provision category are provisions for corporate, withholding and VAT taxes.

Movements in provisions
Movements in each class of provision during the current financial year are set out below:

	Employee Benefits	Staff incentives & bonuses	Other
	$	$	$
Consolidated - 2018			
Carrying amount at the start of the year	171,116	919,003	299,606
Additional provisions recognised / foreign exchange differences	545,001	1,706,934	83,582
Amounts used	(559,010)	(1,268,267)	(111,293)
Carrying amount at the end of the year	157,107	1,357,670	271,895

15. Non-current liabilities – Provisions

In Indonesia, the Group provides for its employees who reach the retirement age of 55 years based on the requirements of Indonesia Labour Law No. 13/2003. The benefits are unfunded.

Net employee defined benefit liabilities

	Consolidated	
	2018	2017
	$	$
Indonesian pension plan	416,677	308,672
Net employee defined benefit liabilities	416,677	308,672

The following table summarises the components of the net benefit expense recognised in the statement of profit or loss and amounts recognised in the statement of financial position for the respective years.

Net benefit expense (recognised in profit or loss)

	Consolidated	
	2018	2017
	$	$
Current service cost	109,665	93,474
Interest cost on net benefit obligation	20,907	19,335
Net benefit expense	130,572	112,809

Changes in the present value of the defined benefit obligation

	$
Defined benefit obligation at 1 January 2017	247,109
Interest cost	19,648
Current service cost	93,474
Remeasurement gains/(losses)*	(28,714)
Exchange differences	(22,845)
Defined benefit obligation at 31 December 2017	308,672
Interest cost	21,193
Current service cost	109,665
Remeasurement gains/(losses)*	(36,472)
Exchange differences	13,619
Defined benefit obligation at 31 December 2018	416,677

* Includes experience adjustments and actuarial changes arising from changes in financial assumptions.

15. Non-current liabilities – Provisions (continued)

Principal assumptions in determining pension obligations

The principal assumptions used in determining pension obligations for the Group's plans are shown below:

	2018	2017
Discount rate (%)	8.77%	7.17%
Future salary increase (%)	10.00%	8.00%
Pension age (years)	55 years	55 years
Mortality rate	TMI (2011)	TMI (2011)
Disability rate	10% from mortality rate	10% from mortality rate

A quantitative sensitivity analysis for significant assumptions as at 31 December is, as shown below:

	Impact on defined present value of benefit obligation	
	2018	2017
	$	$
Discount rate		
1% increase	363,206	254,671
1% decrease	492,136	347,850
Future salary cost increase		
1% increase	492,498	348,804
1% decrease	361,699	253,117

The sensitivity analysis has been determined based on a method that extrapolates the impact on the defined benefit obligation as a relist of reasonable changes in key assumptions occurring at the end of the reporting period. The sensitivity analysis are based on a change in significant assumptions, keeping all other assumptions constant. The sensitivity analysis may not be a representation of an actual change in the defined benefit obligations as it is unlikely that changes in assumptions would occur in isolation from one another.

No payments are expected to be made for the next annual reporting period.

The weighted average duration of the defined benefit obligation at the end of the reporting period is 15.29 years.

The Group recognises remeasurement gains and losses arising on defined benefit pension plans in OCI in accordance with AASB 119 Employee Benefits. As they will never be reclassified into profit or loss, they are immediately recorded in retained earnings, amounting to $36,472.

16. Equity - issued capital

	Consolidated		Consolidated	
	2018 Shares	2017 Shares	2018 $	2017 $
Ordinary shares - fully paid	382,661,158	377,776,239	123,656,458	122,493,347

Movements in ordinary share capital

Details	Date	No of shares	$
Balance	31 December 2016	320,955,194	112,553,083
Issue of shares - STI/LTI to employees	12 May 2017	667,886	209,167
Issue of shares - Directors remuneration 2016 year	23 June 2017	599,029	302,629
Issue of shares - Share placement[1]	12 December 2017	55,554,130	9,999,744
Share issue costs			(571,275)
Balance	31 December 2017	377,776,239	122,493,348
Issue of shares - Share options	12 January 2018	197	39
Issue of shares - Share options	23 January 2018	17,241	3,448
Issue of shares - Share options	29 January 2018	1,724	345
Issue of shares - Share options	12 February 2018	14,724	2,945
Issue of shares - Share options	13 March 2018	143,103	28,621
Issue of shares - Share options	14 March 2018	1,223,101	244,620
Issue of shares - Share options	20 March 2018	5,862	1,172
Issue of shares - Share options	10 April 2018	948	190
Issue of shares - Share options	16 April 2018	8,620	1,724
Issue of shares - Share options	18 April 2018	2,692	538
Issue of shares - STI/LTI to employees	21 May 2018	2,158,894	603,740
Issue of shares - Directors remuneration 2018 year	25 June 2018	1,220,521	295,000
Issue of shares - Staff pool	25 June 2018	30,000	6,900
Issue of shares - Share options	18 August 2018	51,724	10,344
Issue of shares - Share options	28 August 2018	1,379	276
Issue of shares - Share options	30 August 2018	4,189	838
Share issue costs			(37,630)
	31 December 2018	382,661,158	123,656,458

[1]Each share issued had one unlisted option attached to it exercisable at $0.20 with an expiry date of 18 months from the date of issue.

16. Equity - issued capital (continued)

Ordinary shares

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

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 through the optimisation of debt and equity balance.

The Group's capital risk management policy remains unchanged from the 31 December 2017 Annual Report. The capital structure of the Group includes equity attributable to equity holders of the parent, comprising issued capital, reserves and retained earnings. The group operates in various countries, primarily through subsidiary companies established in the markets in which the group operates.

The Group has sufficient cash to fund operating cash flows to maintain its current level of operations as well as to make the routine outflows of tax and the payment of any earn outs under contract. The Group is not subject to any externally imposed capital requirements.

17. Equity – reserves

	Consolidated	
	2018	2017
	$	$
Foreign currency translation reserve	2,324,146	(317,368)
Share-based payments reserve	1,848,782	1,478,417
Equity reserves	(10,965,292)	(10,965,292)
	(6,792,364)	(9,804,243)

17. Equity – reserves (continued)

	Foreign currency translation reserve $	Share-based payments Reserve[1] $	Equity Reserves[2] $	Total $
Consolidated				
Balance at 1 January 2017	(575,979)	1,191,254	(10,965,292)	(10,350,017)
Foreign currency translation	258,611	-	-	258,611
Shares issued during the year	-	(511,795)	-	(511,795)
Shares to be issued in lieu of directors remuneration	-	295,000	-	295,000
Executive variable remuneration	-	503,958	-	503,958
Balance at 31 December 2017	(317,368)	1,478,417	(10,965,292)	(9,804,243)
Foreign currency translation	2,641,514	-	-	2,641,514
Shares issued during the year	-	(905,640)	-	(905,640)
Shares to be issued in lieu of directors remuneration	-	275,000	-	275,000
Executive variable remuneration	-	1,001,005	-	1,001,005
Balance at 31 December 2018	2,324,146	1,848,782	(10,965,292)	(6,792,364)

[1]The share-based payments reserve is used to recognise the value of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration. Refer to Note 32 for further details of these plans.
[2]Represents the excess paid for the acquisition of Auto Discounts Sdn Bhd (now iCar Asia Sdn Bhd) as a common control transaction using the pooling of interest method. This balance is not revalued and will not reverse in the future.

18. Equity - accumulated losses

	Consolidated 2018 $	Consolidated 2017 $
Accumulated losses at the beginning of the financial year	(66,236,138)	(52,895,010)
Loss after income tax expense for the year	(13,606,453)	(13,377,600)
Accumulated losses at the end of the financial year	(79,842,591)	(66,272,610)

19. Equity – dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

No franking credits are available for use in the subsequent financial year as no income tax has been paid in Australia in the current or previous financial years.

20. Financing facility

The Group entered into a $5.0 million loan facility ('Facility') with Catcha Group Pte Ltd in November 2017. The Facility is secured by a first ranking security over all the assets of the Company in favour of Catcha Group Pte Ltd under a General Security Agreement. Key terms of the Facility include:

- An interest rate of 12% per annum.
- A maturity date of 3 years.
- A commitment fee of 3% on the $5.0 million loan amount, payable upon commencement and a commitment fee of 2% per annum on the undrawn balance of the loan, which starts accruing once the Company draws on the loan. During the current financial year, the Group has recognised interest charges of $17,500 for the commitment fee. The accrued commitment fee remains unpaid at 31 December 2018.
- Draw down subject to shareholder approval (obtained at the Company's 2018 annual general meeting) of the issue of unlisted options over shares to be granted to Catcha Group Pte Ltd.
- Customary financial and operational undertakings by the Company, including relating to reporting and maintenance of assets

The General Security Agreement provides that in the event the security is exercised, neither Catcha Group Pte Ltd or any of its associates are entitled to acquire the assets of the Group without the Group first complying with any applicable ASX Listing Rules, including ASX Listing Rule 10.1.

The Facility is subject to shareholder approval which was granted at the Company's 2018 Annual General Meeting on 25 May 2018. At 31 December 2018, the Facility remains undrawn.

21. Financial instruments

Financial risk management objectives

The group's activities expose it to a variety of financial risks: market risk (including foreign currency risk and interest rate risk), credit risk and liquidity risk. The group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

Market risk

Foreign currency risk
The group is mainly exposed to Malaysian Ringgit (MYR), Indonesian Rupiah (IDR) and Thai Baht (THB) as a result of the operation of its subsidiaries in those markets. Foreign currency risk arises when future commercial transactions and recognised financial assets and liabilities are denominated in a currency that is not the entity's functional currency. As there is no material exposure to foreign currency risk within the financial assets and financial liabilities outside of each operating entity's functional currency, no sensitivity analysis has been prepared.

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

	2018		2017	
	Weighted average interest rate	**Balance**	**Weighted average interest rate**	**Balance**
	%	**$**	**%**	**$**
Consolidated				
Cash at bank	1.81	9,531,721	1.93%	21,477,295
Net exposure to cash flow interest rate risk		9,531,721		21,477,295

An analysis by remaining contractual maturities is shown in 'liquidity and interest rate risk management' below.

21. Financial instruments (continued)

Consolidated - 2018	Basis points increase			Basis points decrease		
	Basis points change	Effect on profit before tax	Effect on equity	Basis points change	Effect on profit before tax	Effect on equity
Cash at bank	50	73,945	-	50	(73,945)	-

Consolidated - 2017	Basis points increase			Basis points decrease		
	Basis points change	Effect on profit before tax	Effect on equity	Basis points change	Effect on profit before tax	Effect on equity
Cash at bank	50	96,216	-	50	(96,216)	-

Credit risk
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the group. The group has 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 expected credit losses, represents the group's maximum exposure to credit risk. Generally, trade receivables are written-off if past due for more than one year and are not subject to enforcement activity.

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

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

Consolidated - 2018	Weighted average interest rate	1 year or less	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Remaining contractual maturities
	%	$	$	$	$	$
Non-derivatives						
Non-interest bearing						
Trade payables and accruals		2,790,650	-	-	-	2,790,650
Total non-derivatives		2,790,650	-	-	-	2,790,650

21. Financial instruments (continued)

Consolidated - 2017	Weighted average interest rate	1 year or less	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Remaining contractual maturities
	%	$	$	$	$	$
Non-derivatives						
Non-interest bearing						
Trade payables and accruals		1,752,039	-	-	-	1,752,039
Total non-derivatives		1,752,039	-	-	-	1,752,039

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

Fair value of financial instruments
Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value. The carrying amounts of trade receivables and trade payables are assumed to approximate their fair values due to their short-term nature. The fair value of financial liabilities is estimated by discounting the remaining contractual maturities at the current market interest rate that is available for similar financial instruments.

22. Key management personnel disclosures

Directors
The following persons were directors of the Group during the financial year:

Georg Chmiel	Executive
Patrick Grove	Non-executive
Lucas Elliott	Non-executive
Syed Khalil Ibrahim	Non-executive
Peter Everingham	Non-executive
Richard Kuo	Non-executive
James Olsen	Non-executive (Resigned 16 November 2018)

Other key management personnel
The following persons also had the authority and responsibility for planning, directing and controlling the major activities of the Group, directly or indirectly, during the financial year:

Hamish Stone	Chief Executive Officer
Yee Chin Beng	Chief Financial Officer (Appointed 21 May 2018)
Joe Dische	Chief Financial Officer (Resigned 14 June 2018)
Pedro Sttau	Chief Information Officer
Jonathan Adams	Chief Marketing Officer

22. Key management personnel disclosures

Compensation
The aggregate compensation made to directors and other members of key management personnel of the Group is set out below and are the amounts recognised as an expense in the reporting period.

	Consolidated	
	2018	**2017**
	$	**$**
Short-term employee benefits	1,562,946	1,413,767
Share-based payments	1,234,024	1,102,214
	2,796,970	2,515,981

Share-based payments refer to short-term, long term incentives, share appreciation rights under the Long Term Value Creation award and share options for key management personnel and director remuneration. See the Remuneration Report for further information.

23. Remuneration of auditors

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

	Consolidated	
	2018	**2017**
	$	**$**
Audit or review of the financial statements	242,600	215,000
Tax compliance services	13,546	-
Other tax services	36,524	-
	292,670	215,000

The fees paid to Ernst & Young for the group audit are inclusive of auditing the financial accounts of the subsidiaries and their respective statutory annual reports.

24. Contingent liabilities

There are various claims that arise in the ordinary course of business against the Group and its subsidiaries. The amounts of any liability (if any) at 31 December 2018 cannot be ascertained and the Group believes that any resulting liability would not materially affect the position of the group.

25. Commitments

	Consolidated	
	2018	**2017**
	$	**$**
Lease commitments - operating		
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	611,609	526,324
One to five years	499,611	654,478
	1,111,220	1,180,802

25. Commitments (continued)

Operating lease commitments relate to premises occupied by the group with lease terms currently still available of less than 5 years. The group does not have an option to purchase the premises at the expiry of the lease period.

The date that the premises leases terminate are as follows: Malaysia - May 2018 to November 2020, Thailand – March 2018 to January 2020 and Indonesia - May 2018 to December 2018.

The lease payments recognised in the profit and loss in 2018 were $584,667 (2017: $480,151).

26. Related party transactions

Parent entity
iCar Asia Limited is the parent entity.

Subsidiaries
Interests in subsidiaries are set out in note 29.

Key management personnel
Disclosures relating to key management personnel are set out in the Remuneration Report in the Directors' Report.

Transactions with related parties
During the year the Group purchased the following services from Catcha Group Pte Ltd (a major shareholder in iCar Asia Limited):

- $29,926 of public relation and communication services from Catcha Group Pte Ltd.

During the year the Group purchased the following services from Wild Digital Sdn Bhd, a company controlled by Patrick Grove and Lucas Elliot who are the Directors of iCar Asia Limited:

- $12,928 of sponsorship for Wild Digital SEA Event 2018

During the year the Group entered into partnership arrangement with Rev Asia Berhad and iflix, companies controlled by Patrick Grove and Lucas Elliot who are the Directors of iCar Asia Limited:

- $221,150 of partnership advertising services with Rev Asia Berhad
- $621,953 of partnership advertising services with iflix

During the year, the Group has recognised interest charges of $17,500 for the commitment fee related to the Finance facility from Catcha Group Pte Ltd (a major shareholder in iCar Asia Limited). Refer to Note 15 Financing facility for further details. The accrued commitment fee remains unpaid at 31 December 2018.

Director and director-related entities hold directly, indirectly or beneficially interests of 113,307,082 (2017: 111,614,546) in the ordinary shares of the company as at the reporting date. They also held 23,836,277 options (2017: 23,847,589).

During the year, the Group recommend to the Board that 375,000 shares at $0.20 per share be issued to James Olsen as remuneration for his project work over the last 18 months. It is subject to Shareholder approval at the 2019 Annual General Meeting.

Receivable from and payable to related parties
There was a payable to Catcha Group Sdn Bhd for $1,032 in relation to services at the end of the current reporting period.

At 31 December 2018, there was a payable to Redbook (Automated Data Services Pty Ltd, an 100% subsidiary of carsales.com Ltd- a major shareholder in iCar Asia Limited at that time) for $1,300 in relation to services. The transaction was on normal commercial terms.

There were no other trade receivables from or trade payables to related parties at the current or previous reporting date.

26. Related party transactions (continued)

Loans to/from related parties

The Group has entered into a $5,000,000 loan facility with Catch Group Pte Ltd. Refer to Note 20 Financing facility for more information.

27. Parent entity information

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

Statement of profit or loss and other comprehensive income

	Parent	
	2018	**2017**
	$	**$**
Loss after income tax	(59,880,142)	(22,808,748)
Total comprehensive income	(59,880,142)	(22,808,748)

Significant accounting policies

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

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

Statement of financial position

	Parent	
	2018	**2017**
	$	**$**
Total current assets	7,529,124	20,333,468
Total assets	58,959,293	95,636,763
Total current liabilities	822,687	1,544,833
Total liabilities	822,687	1,544,833
Net Assets	58,136,606	94,091,930
Equity		
Issued capital	124,066,313	122,903,201
Reserves	1,483,320	374,240
Accumulated losses	(67,413,027)	(29,185,511)
Total equity	58,136,606	94,091,930

The parent entity has no contingent liabilities or contractual commitments for the acquisition of property, plant & equipment. The parent entity has not entered into any guarantees in relation to the debts of its subsidiaries.

28. Subsidiaries

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

		Equity holding	
	Country of	2018	2017
Name of entity	incorporation	%	%
iCar Asia Pte Ltd	Singapore	100	100
iCar Asia Management Services Sdn Bhd	Malaysia	100	100
Netyield Sdn Bhd	Malaysia	100	100
iCar Asia Sdn Bhd	Malaysia	100	100
PT Mobil Satu Asia	Indonesia	100	100
iCar Asia (Thailand) Limited *	Thailand	100	100
O2C Holdings (Thailand) Co. Ltd	Thailand	100	100
Perfect Scenery Ventures Limited	British Virgin Islands	100	100
One2Car Co., Ltd	Thailand	100	100

*Group holds an economic interest of 100% with a nominee Thai shareholder holding an interest in the company on behalf of the Group.

29. Events after the reporting period

No matter or circumstance has arisen since 31 December 2018 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

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

	Consolidated	
	2018	**2017**
	$	**$**
Loss after income tax expense for the year	(13,606,453)	(13,377,600)
Adjustments for:		
Depreciation, amortisation and impairment	2,483,456	1,799,953
Equity settled employee benefit	1,276,005	798,958
Doubtful debts expense	-	36,909
Employment costs capitalised	(1,172,875)	(1,383,626)
Exchange differences on translation of FX	(559,515)	(211,666)
Change in operating assets and liabilities:		
(Increase)/decrease in trade and other receivables	(351,900)	32,862
(Increase)/decrease in other assets	(1,180,029)	(156,978)
Increase/(decrease) in trade and other payables	1,431,549	(683,306)
Increase/(decrease) in provisions	209,952	(247,956)
Net cash used in operating activities	(11,469,810)	(13,392,450)

31. Earnings per share

	Consolidated	
	2018	2017
	$	$
Loss after income tax attributable to the owners of iCar Asia Limited and Controlled Entities	(13,606,453)	(13,377,600)
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	380,921,356	324,586,866
Weighted average number of ordinary shares used in calculating diluted earnings per share	380,921,356	324,586,866
	Cents	Cents
Basic loss per share	(3.57)	(4.12)
Diluted loss per share	(3.57)	(4.12)

Options and contingently issuable shares in relation to KMP remuneration would have adjusted the weighted average number of ordinary shares used in the calculation of diluted loss per share, however they have not been used in the calculation because they are anti-dilutive to the periods presented. Details of the options and contingently issuable shares are contained in Note 32 Share-based payments.

32. Share-based payments

Executive variable remuneration

Long term incentive plan (LTI)

The Group has established a long term incentive plan (referred to hereafter as the ‘Plan’). The Plan is part of the Group’s remuneration strategy and is designed to align the interests of management and shareholders and assist the Group in the attraction, motivation and retention of executives. In particular, the Plan is designed to provide relevant executives with an incentive for future performance and encouraging those executives to remain with the Group. LTI payments are made to participating key employees depending on the extent to which specific targets set at the beginning of the plan are met. The targets relate to the earnings of the company, achievement of other KPIs aligned to the individual’s specific business function and staff remaining in employment. During the year all new key employees participated in the LTI only.

The exercise price of the share options is equal to the market price of the underlying shares on the date of grant. The Group does not have a past practice of cash settlement for these awards. The details of LTI terms and targets can be found under Section C Service agreements in Remuneration Report.

Options plan

With the same objective of the LTI Plan, certain recent key employees have been awarded iCar Asia Limited share options. The details can be found in Section C Service agreements in the Remuneration Report.

During the year, options granted to certain key management personnel have been replaced by a new share appreciation scheme as detailed later in this report.

32. Share-based payments (continued)

Executive variable remuneration (continued)

Long Term Value Creation (LTVC)

On 22 February 2018, the Group issued certain key management personnel with share appreciation rights as replacement awards under the existing executive variable remuneration plan for additional incentives and options. The existing Long Term Incentive plan is not affected by this new scheme and will run as per respective service agreements of key management personnel. The purpose of the LTVC scheme is to reward the value creation developed by the executives in driving growth in the business. The LTVC scheme is based on exceeding a specified share price hurdle of $0.30 in any of the three observation periods (2018, 2019 and 2020). The entitlement will be paid in shares in iCar Asia Limited and the number of entitlements will be based on the Volume Weighted Average Price of the Group's share price exceeding the baseline share price of $0.18 in the December of the relevant observation period. Each executive will receive a share of the value created, which is calculated as the excess of the share price hurdle to the baseline share price multiplied by the number of shares on issue at the end of the relevant observation period.

The entitlements also contain vesting conditions based on a required service period for each observation period end and vest 60% in the January following the observation period and 40% in the January twelve months thereafter.

Details of the entitlement for each key management personnel entitled to the LTVC scheme is outlined in Section C of the Remuneration Report.

The following table list the key inputs and assumptions to the model used to calculate the grant date fair value of the LTVC award were:

	LTVC
Share price hurdle	$0.30
Baseline share price	$0.18
Dividend yield	0%
Expected volatility	62%
Risk-free interest rate	2.20%
Model used	Monte Carlo

The table below discloses the accounting amortisation of LTVC Scheme in financial statements for the year ended 31 December 2018 relating to key management personnel. The table also discloses the total grant date fair value of the LTVC awarded to each key management personnel. The amortisation value is based on the fair value of LTVC Scheme at grant date which was on 22 February 2018. The LTVC Scheme entitlements is based on exceeding a specified share price hurdle in any of the three observation periods (2018, 2019 and 2020). As of 31 December 2018, the market share price has not exceeded the specified share price hurdle during the observation period and thus no shares will be awarded to any key management personnel as entitlements under the LTVC Scheme.

Key management personnel	Share of value creation	Amortisation in 2018 $	Grant date fair value $
H Stone Chief Executive Officer	1.25%	446,145	934,926
P Sttau Chief Information Officer	0.45%	160,612	336,573
J Adams Chief Marketing Officer	0.25%	89,229	186,985

32. Share-based payments (continued)

Executive variable remuneration (continued)

The table below discloses the incremental value of the LTVC to the additional incentives and options replacement:

Key management personnel	LTVC $	Options $	Additional incentives $	Incremental value $
H Stone	934,926	252,250	-	682,676
P Sttau	336,573	-	272,000	64,573
J Adams	186,985	27,750	-	159,235

Performance targets

Incentives are paid to Key Management Personnel according to the achievement of performance targets which are set half yearly and are based on a combination of Group level financial and non-financial performance measures, in addition to function-specific strategic goals. Refer to Section C Service agreements in the Remuneration Report for further details on performance targets.

Directors Remuneration

The Directors are remunerated in shares with no vesting requirements. The number of shares issued to Directors is determined by the VWAP over the financial year of the directorship. Refer to Remuneration Report for further details on Directors Remuneration.

Issue of shares

Details of shares issued to Directors and other key management personnel as part of compensation during the year ended 31 December 2018 are set out below:

	Financial Year	Category	Number of Shares granted up to 31 December 2018	Number of shares vested during 2018	Fair Value per share $	Fair value of shares $	Grant date	Vesting date	Issue date
Executive Director:									
G Chmiel	2017	Director Fees	446,835	446,835	0.2417	108,000	February 2018	February 2018	June 2018
Non-Executive Directors:									
P Grove	2017	Director Fees[1]	186,181	186,181	0.2417	45,000	February 2018	February 2018	June 2018
L Elliott	2017	Director Fees[1]	161,357	161,357	0.2417	39,000	February 2018	February 2018	June 2018
Mark Britt	2017	Director Fees	99,297	99,297	0.2417	24,000	February 2018	February 2018	June 2018
S Khalil Ibrahim	2017	Director Fees	182,044	182,044	0.2417	44,000	February 2018	February 2018	June 2018
Peter Everingham	2017	Director Fees	62,060	62,060	0.2417	15,000	February 2018	February 2018	June 2018
Richard Kuo	2017	Director Fees	82,747	82,747	0.2417	20,000	February 2018	February 2018	June 2018
Other Key Management Personnel:									
H Stone	2016	LTI	128,667	128,667	0.2000	25,733	February 2018	February 2018	May 2018
	2017	LTI	612,329	612,329	0.2450	150,021	February 2018	February 2018	May 2018
	2017	LTI	459,247	-	0.2450	112,516	February 2018	February 2019	March 2019
	2017	LTI	459,247	-	0.2450	112,516	February 2018	February 2020	March 2020

	Financial Year	Category	Number of Shares granted up to 31 December 2018	Number of shares vested during 2018	Fair Value per share $	Fair value of shares $	Grant date	Vesting date	Issue date
Other Key Management Personnel:									
J Dische	2015	LTI	81,140	81,140	0.91	73,837	February 2016	February 2018	May 2018
	2016	LTI	79,172	-	0.2	15,834	February 2017	February 2019	March 2019
	2017	STI	614,398	614,398	0.245	150,528	February 2016	February 2018	May 2018
P Sttau	2015	LTI	51,957	51,957	0.91	47,287	February 2016	February 2018	May 2018
	2016	LTI	116,120	116,120	0.2	23,224	February 2016	February 2018	May 2018
	2017	LTI	252,434	252,434	0.2450	61,846	February 2018	February 2018	May 2018
	2017	LTI	252,434	-	0.2450	61,846	February 2018	February 2019	March 2019
	2017	LTI	252,434	-	0.2450	61,846	February 2018	February 2020	March 2020
J Adams	2017	LTI	87,280	87,280	0.2450	21,384	February 2018	February 2018	May 2018
	2017	LTI	87,280		0.2450	21,384	February 2018	February 2019	March 2019
	2017	LTI	87,280		0.2450	21,384	February 2018	February 2020	March 2020

[1] Shares allocated to the Director were issued to Catcha Media Pte Ltd

Share based payments of $1,259,655 have been accrued in relation to 2018 in lieu of Directors Fees ($275,000) and executive variable remuneration ($984,655). The number of shares to be granted will be agreed at the meeting of the Nomination & Remuneration Committee in February 2019.

Options

In April 2017 and May 2017 3,750,000 share options were granted to certain senior executives. The senior executives must be employed by the company on the vesting date or the options lapse. All options will be settled in shares.

During the year, options granted to key management personnel, with the exception of Executive Chairman, have been replaced by Long Term Value Creation scheme (LTVC).

The table below discloses the number of share options outstanding at the end of the year.

Key management personnel	Financial year	Options awarded during the year No.	Award date	Fair value per option at award date ($)	Vesting Date	Exercise price	Expiry date	No. vested during the year	No. lapsed during the year	Value of options granted during the year ($)
G Chmiel (Executive Chairman)	2017	1,000,000	26 May 2017	$0.129	31 December 2019	$0.40	31 December 2021	-	-	$129,000

The table below discloses the number of share options outstanding at the end of the year.

Options holdings of KMP							
KMP	**Balance 1 January 2018**	**Granted as remuneration**	**Options exercised**	**Net change other**	**Balance 31 December 2018**	**Exercisable**	**Not exercisable**
G Chmiel (Exec. Chairman)	1,011,312	-	(11,312)	-	1,000,000	-	1,000,000
H Stone (CEO)[1]	2,617,107	-	-	(2,500,000)	117,107	117,107	-
J Dische (CFO)[2]	89,790	-	-	(89,790)	-	-	-
J Adams (CMO)[1]	250,000	-	-	(250,000)	-	-	-
P Grove (Director)	22,185,980	-	-	-	22,185,980	22,185,980	-
L Elliott (Director)	22,185,980	-	-	-	22,185,980	22,185,980	-

There were no options related to remuneration exercised during the year.
[1] Net other change reflects the replacement of the options incentive scheme with the Long Term Value Creation award.
[2] Net other change in options reflects that Joe Dische was not a KMP at 31 December 2018 and therefore has a holding of nil. At the date of resignation, Joe Dische held 89,790 options in the Company.

In the directors' opinion:

- the attached financial statements and notes thereto comply with the *Corporations Act 2001*, the Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements;

- the attached financial statements and notes thereto comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;

- the attached financial statements and notes thereto give a true and fair view of the consolidated entity's financial position as at 31 December 2018 and of its performance for the financial year ended on that date; and

- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

The directors have been given the declarations required by section 295A of the *Corporations Act 2001*.

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

On behalf of the directors

Georg Chmiel
Executive Chairman

Kuala Lumpur
21 February 2019

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF iCAR ASIA LIMITED

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of iCar Asia Limited (the Company), including its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 31 December 2018, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

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

(i) giving a true and fair view of the Group's financial position as at 31 December 2018 and of its consolidated financial performance for the year ended on that date; 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 *Corporations Act* 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES110 *Code of Ethics for Professional* Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Key Audit Matters

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

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

Impairment testing of goodwill and intangible assets

Why significant	How our audit addressed the key audit matter
At 31 December 2018, goodwill of $19.6 million and other intangibles of $9.4 million were recorded in the consolidated statement of financial position. As required by Australian Accounting Standards, the Group assesses at the end of each reporting period whether there is any indication that an asset may be impaired. In addition, goodwill and indefinite life intangible are tested for impairment at least annually. Impairment assessments are complex and judgmental as they include the modelling of a range of assumptions and estimates that will be impacted by future performance and market conditions. The Group's disclosures in relation to goodwill and other intangibles are included in Note 12.	Our audit procedures included an evaluation of the assumptions and methodologies utilised in the assessments, with an emphasis on those relating to the determination of cash generating units, forecast cash flows, growth rates, discount rates, comparative industry valuation multiples and other market evidence. We involved our valuation specialists to evaluate the appropriateness of key inputs, where relevant to the impairment tests, including: ▸ Discount rates ▸ Terminal growth rates ▸ Market evidence of industry valuation multiples ▸ Long-term inflation and growth rate assumptions ▸ Performing sensitivity analysis on the model forecasts and key assumptions. We also considered the adequacy of the financial report disclosures regarding the impairment testing approach, key assumptions and sensitivity analysis as disclosed in Note 12.

Revenue recognition

Why significant	How our audit addressed the key audit matter
As disclosed in Note 4 the Group earns revenue from on-line classifieds subscriptions, media advertising, on-line depth products, commissions and exhibition fees. AASB 15 *Revenue from Contracts with Customers* (AASB 15) applies to the Group from 1 January 2018. The adoption of the new standard is inherently complex due to the need to apply the requirements of the new standard to the range of products and services offered by the Group. The impact of the adoption of this new standard is disclosed in Note 2.3. Revenue is a key metric upon which the Group's performance is measured. The Group has employee incentive schemes that are impacted by revenue growth.	Our audit procedures included the following: ▸ We evaluated the Group's assessment of the financial impact of the new revenue standard and the Group's accounting policies, estimates and judgements made in respect of the products and services of the Group. ▸ We inspected a sample of customer contracts in each significant revenue stream to assess whether revenue recognised was in accordance with AASB 15 and the terms and conditions in the underlying contract. ▸ We evaluated the appropriateness of accounting entries impacting revenue, as well as any significant or unusual one-off accounting entries impacting revenue. ▸ We evaluated the adequacy of disclosures included in Note 2.3 and Note 4 of the financial report.

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

The directors are responsible for the other information. The other information comprises the information in the Group's Annual Report for the year ended 31 December 2018, but does not include the financial report and the auditor's report thereon. We obtained the Directors report (including the remuneration report) that is to be included in the Annual Report, prior to the date of our auditor's report, and we expect to obtain the remaining sections of the Annual Report after the date of this auditor's report.

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

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

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

Responsibilities of the Directors for the Financial Report

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

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

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity'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 in the preparation of the financial report. We also conclude, based on the audit evidence obtained, whether a material uncertainty exists related to events and conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the disclosures in the financial report about the material uncertainty or, if such disclosures are inadequate, to modify the opinion on the financial report. However, future events or conditions may cause an entity 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 consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 15 to 33 of the Directors' Report for the year ended 31 December 2018. In our opinion, the Remuneration Report of iCar Asia Limited for the year ended 31 December 2018, complies with section 300A of the *Corporations Act 2001*.

Building a better
working world

Responsibilities

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

Ernst & Young

Ernst & Young

BJ Pollock
Partner
Melbourne
21 February 2019

The shareholder information set out below was applicable as at 31 December 2018.

ASX Listing Rule 4.10.19

iCar Asia Limited has used the cash and assets in a form readily convertible to cash it had at the time of admission in a way consistent with its business objectives.

Distribution of equitable securities

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

	Total holders of ordinary shares	Units
1 to 1,000	337	176,204
1,001 to 5,000	889	2,685,181
5,001 to 10,000	539	4,241,647
10,000 to 100,000	1,250	43,377,534
100,001 and over	239	332,180,593
	3,254	382,661,159

Equity security holders

Twenty largest quoted equity security holders

The names of the twenty largest security holders of quoted equity securities are:	**Ordinary shares**	
	Number held	**% of total shares issued**
ICQ HOLDINGS SDN BHD	52,500,000	13.72
CARSALES COM LIMITED	50,373,365	13.16
CATCHA GROUP PTE LTD	35,800,022	9.36
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	30,954,329	8.09
CITICORP NOMINEES PTY LIMITED	23,186,570	6.06
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	20,301,508	5.31
AUSTRALIAN FOUNDATION INVESTMENT COMPANY LIMITED	9,987,311	2.61
AUSTRALIAN FOUNDATION INVESTMENT COMPANY LIMITED	9,092,677	2.38
BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	7,432,726	1.94
HSBC CUSTODY NOMINEES	7,027,300	1.84
MARENSA PTY LTD <STEWART SUPER A/C>	3,500,000	0.91
MIRRABOOKA INVESTMENTS LIMITED	3,433,093	0.90
TARGET RANGE PTY LTD	3,232,671	0.84
MR MICHAEL STEWART BUNKER	3,000,000	0.78
TIMSIM HOLDINGS PTY LTD <NO 2 A/C>	2,372,413	0.62
ALCOCK SUPERANNUATION FUND PTY LTD <ALCOCK SUPER FUND A/C>	1,779,908	0.47
MR JOHN DAVID WHEELER & MR GLEN ROBERT WHEELER <WHEELSUP S/F A/C>	1,750,000	0.46
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED <EUROCLEAR BANK SA NV A/C>	1,500,176	0.39
EMINENT HOLDINGS PTY LTD	1,465,517	0.38
MELANIE JANE STONE	1,308,510	0.34
	269,998,096	**70.56**

Unquoted equity securities

There are no shares held in escrow

Substantial holders

The names of substantial shareholders of the Company (holding not less than 5%) who have notified the Company in accordance with Section 671B of the Corporations Act 2001 are set out below:	Ordinary shares	
	Number held	**% of total shares issued**
Catcha Group Pte Ltd	109,673,940	28.66
carsales.com Ltd	50,373,365	13.16
PM Capital Limited	30,954,329	8.09
Australian Foundation Investment Company Limited	19,079,988	4.99
	210,081,622	**54.90**

Voting rights

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

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

There are no other classes of equity securities.

iCar Asia Limited and Controlled Entities
Corporate Directory
31 December 2018

Directors	Georg Chmiel (Executive Chairman) Patrick Grove Lucas Elliott Syed Khalil Ibrahim Peter Everingham Richard Kuo
Group Chief Executive Officer	Hamish Stone Hamish.Stone@icarasia.com
Group Chief Financial Officer	Yee Chin Beng chinbeng.yee@icarasia.com
Company Secretary	Hasaka Martin Hasaka.Martin@boardroomlimited.com.au
Registered office	C/O Boardroom Pty Limited Level 12, 225 George Street, Sydney, NSW 2000, Australia Tel. +61 (2) 9290 9600
Principal place of business	Suite 18.01- 3, Level 18, Centerpoint North Tower, Mid Valley City Lingkaran Syed Putra, 59200 Kuala Lumpur Malaysia Tel. +60 (3) 2776 6000 Fax. +60 (3) 2776 6010
Share register	Boardroom Pty Limited Level 12, 225 George Street, Sydney, NSW, Australia, 2000 Tel. +61 (2) 9290 9600 boardroomlimited.com.au
Auditor	Ernst & Young 8 Exhibition Street Melbourne VIC 3000 Australia
Stock exchange listing	iCar Asia Limited and Controlled Entities shares are listed on the Australian Securities Exchange (ASX code: ICQ)
Website	www.icarasia.com
Corporate Governance Statement	http://www.icarasia.com/investor-relations/corporate-governance/