a2a GN Ltd and Controlled Entities

ACN 621 583 882

Financial Statements

For the Year Ended 31 December 2018

a2a GN Ltd and Controlled Entities

ACN 621 583 882

Contents

For the Year Ended 31 December 2018

Corporate Governance Statement

31 December 2018

Audit and Risk Management Committee

The Board is committed to achieving and demonstrating the highest standards of corporate governance. The Board continues to refine and improve the governance framework and practices in place to ensure they meet the interests of shareholders.

Responsibility of the Board

The Board is charged with promoting the success of the Group by directing and supervising its affairs in a responsible and effective manner. Each Director has a duty to act in good faith in the best interests of the Group. The Directors are aware of their collective and individual responsibilities to all shareholders for the manner in which the affairs of the Group are managed, controlled and operated.

The Board has a collective responsibility for the management of the Group. There is a clear segregation of roles and responsibilities between the Chairman and Directors to ensure a balance of power and authority.

The Independent Non-Executive Directors do not participate in the day-to-day management of the Group and do not engage in any business dealing or other relationship with the Group and this is to ensure that they are capable of exercising judgment objectively whilst acting in the best interest of the Group, its stakeholders and Shareholders, including minority Shareholders.

Board charter and policy

The Board comprises of five Directors. The Chairman of the Board is not the Chief Executive Officer. Two of the Directors are independent non-executive directors. All Board members are expected to show good stewardship and act in a professional manner, as well as upholding the core value of integrity with due regard to their fiduciary duties and responsibilities.

The Board shall conduct at least four (4) scheduled meetings annually, with additional meetings to be convened as and when necessary. All Directors will be provided with the performance and progress reports on a timely basis prior to the scheduled Board meetings. The Board shall review the Charter on a regular basis and will be revised from time to time to meet the expectations of Shareholders and developing best practices.

Board committees

To ensure that the responsibilities of the Board are upheld and executed to the highest level, the Board has established the following Board committees:

- Audit and risk management committee
- Nomination and remuneration committee

Audit and Risk Management Committee

The Audit and Risk Management Committee shall review in depth the annual financial statements of a2a GN ltd and controlled entities (a2a), monitor the integrity of the a2a business' financial reporting system and internal controls, review the statutory accounts and consider accounting issues arising in respect of a2a's affairs and recommend them to the Board for approval.

The members of the Audit Committee are:

Name
James Stephen Barrie (committee chair)
Tai Shoo Loo
Chih Chong

The members of the Audit and Risk Management Committee shall be appointed for a three year term, as shall be determined by the Board, with the option for this to be renewed for an additional two year period (or as otherwise determined by the Board).

Matters dealt by the Audit and Risk Management Committee are as follows:

- Statutory Audit
- Risk Management
- Internal Audit

The Audit and Risk Management Committee will meet a minimum of four times a year and at other times in the year as considered appropriate by the Audit and Risk Management Committee Chair. Meetings will always be held prior to the announcement of any financial or performance results of a2a.

Nomination and remuneration committee

The Nomination and Remuneration Committee shall be appointed by the Board, from the existing Directors of the Company and shall consist of not less than three members, the majority of whom shall be independent non-Executive Directors of the Company. Its current members are:

- Chih Chong (committee chair)
- Saw Leng Yue
- James Stephen Barrie

The Nomination and Remuneration Committee Chair shall, in consultation with the Company Secretary decide on the frequency and timing of the Nomination and Remuneration Committee meetings. Meetings shall be held no less than twice a year.

Policies

Securities trading policy

The Board has adopted a policy for trading in securities (Trading Policy), which explains and provides guidance to Directors, identified employees including senior management and other employees of the Group, where they are contemplating dealing in the Company's securities or the securities of entities with whom the Group may have dealings. The Trading Policy is designed to ensure that any trading in the Company's securities is in accordance with the law and minimises the possibility of misperceptions arising in relation to Directors' and employees' dealings in the Company's securities or securities of other entities.

Continuous disclosure policy

The Board has adopted a continuous disclosure policy (Disclosure Policy), which sets out procedures to be adopted by the Board to ensure the Company complies with its continuous disclosure obligations to keep the market fully informed of information which may have a material effect on the price or value of the Company's securities and to correct any material mistake or information in the market. The Nominated Adviser will provide a briefing on continuous disclosure obligations to the Board and senior management and the Company will conduct regular board meetings with continuous disclosure a standing agenda item and its Nominated Adviser in attendance.

Diversity policy

The Board has also adopted a policy to outline the Group's commitment to fostering a corporate culture that embraces diversity in the composition of its Board and senior management. This policy also provides a process for the Board to decide measurable objectives and procedures which the Group will implement and report against to achieve its diversity goals. There are several types of measurable objectives in achieving diversity, this includes procedural and structural objectives, diversity targets and, initiatives and programs. During the annual disclosure to Shareholders, reporting and board selection process will take place in achieving greater transparency.

Corporate Governance Statement
31 December 2018

Corporate governance

The primary responsibility of the Board is to represent and advance Shareholders' interests and to protect the interests of all stakeholders. To fulfil this role, the Board is responsible for the overall corporate governance of the Group including its strategic direction, establishing goals for management and monitoring the achievement of these goals.

The Group is committed to good corporate governance, which promotes the long-term interests of Shareholders, strengthens Board and management accountability and helps build public trust in the Group. The Board is elected by the Shareholders to oversee their interest in the long-term health and the overall success of the business and its financial strength. The Board serves as the ultimate decision-making body of the Group, except for those matters reserved to or shared with the Shareholders. The Board selects and oversees the members of senior management, who are charged by the Board with conducting the business of the Group.

Disclosure of these corporate governance practices will be given in accordance with the NSX Listing Rules. The Board has assessed a2a's current practice against the Guidelines and outlines its assessment below:

Principles and recommendations		Compliance	
Principle 1 – Lay solid foundations for management and oversight			
1.1	Establish the functions expressly reserved to the Board and those delegated to management, and disclose those functions.	The Board is responsible for overall corporate governance of the Group. The role of the Board and delegation to management have been formalised in the Board charter which outlines the main corporate governance practices in place for the Group. The Board and each Director are committed to the charter. The conduct of the Board is also governed by the Constitution, and where there is inconsistency with that document, the Constitution prevails to the extent of the inconsistency. The charter will be reviewed and amended from time to time as appropriate taking into consideration practical experience gained in operating as a listed Group.	Yes
1.2	Undertake appropriate checks before appointing a person as a director, and provide shareholders with all material information relevant to a decision on whether or not to elect or re-elect a director.	The Company has completed police checks, insolvency and banned director searches in relation to the existing Directors. The Company will conduct appropriate checks for future appointments.	Yes
1.3	Have a written agreement with each director and senior executive setting out the terms of their appointment.	The Company has entered into written agreements with each Director and senior executive.	Yes
1.4	The Company Secretary should be accountable directly to the Board on all matters to do with the proper functioning of the Board.	This is consistent with the charter and corporate structure of the Group. The Company Secretary has a direct relationship with the Board in relation to these matters and operates independently of the executive.	Yes
1.5	Establish a diversity policy and disclose the policy or a summary of that policy. The policy should include requirements for the Board to establish measurable objectives for achieving gender diversity and for the Board to assess annually both the objectives and progress in achieving them, for reporting against in each reporting period.	The diversity policy for the Group has only recently been established and accordingly, the Group has not reported on measurable objectives in any annual report to date. Does not comply. However, in accordance with the policy the Group intends to disclose the measurable objectives for achieving gender diversity in each annual report and the Group's progress in achieving diversity objectives.	No

Corporate Governance Statement

31 December 2018

Principles and recommendations		**Compliance**	
Principle 1 – Lay solid foundations for management and oversight			
1.6	Have a process for periodically evaluating the performance of the Board, its committees and individual directors, and disclose that process and, at the end of each reporting period, whether such performance evaluation was undertaken in that period.	The Nomination and Remuneration committee's charter provides for regular performance reviews to be conducted. Does not comply, however, in accordance with the Nomination and Remuneration committee's charter the Group intends to evaluate performance of the Board and disclose for each reporting period whether an evaluation has been undertaken.	No
1.7	Have a process for periodically evaluating the performance of the Group's senior executives, and disclose that process and, at the end of each reporting period, whether such performance evaluation was undertaken in that period.	The Board's broad function is to formulate strategy and set financial targets for the Group, monitor the implementation and execution of strategy and performance against financial targets, appoint and oversee the performance of executive management, and generally take an effective leadership role in relation to the Group. The Chairman, with assistance from the Nomination and Remuneration committee, annually assesses the performance of Directors and senior executives, and the Chairman's performance is assessed by the other Directors.	No
Principle 2 – Structure the Board to add value			
2.1	The Company should have a nomination committee, which has at least three members, a majority of independent directors and is chaired by an independent director. The functions and operations of the nomination committee should be disclosed.	A Nomination and Remuneration committee has been established with its own charter and consists of Chih Chong (committee chair) and James Barrie and Saw Leng Yue.	Yes
2.2	Have and disclose a Board skills matrix, setting out what the Board is looking to achieve in its membership.	The Group has established charter rules for the Nomination and Remuneration Committee as a guide for Board deliberations. Together, the Directors have a broad range of experience, expertise, skills, qualifications and contacts relevant to the Group and its business. Does not presently comply, however the Board intends to formalise a skills matrix.	No
2.3	Disclose the names of the directors that the Board considers to be independent directors, and an explanation of why the Board is of that opinion if a factor that impacts on independence applies to a director and disclose the length of service of each director.	The Board considers James Barrie (September 2018) to be an Independent Director. The Board also considers Chih Chong (appointed in October 2017) to be an Independent Director. The Board notes the following Directors are deemed not independent for the purposes of the Guidelines: Tai Shoo Loo (appointed in September 2017) – Tai Shoo Loo is a non-executive Director and substantial shareholder of the Company. Saw Leng Yue (appointed in October 2017) – Saw Leng Yue is the chief executive officer of the Group and substantial shareholder of the Company Yee Mun Loo (Loo) (appointed in September 2017) - Loo is an executive Director and substantial shareholder of the Company.	Yes

Corporate Governance Statement

31 December 2018

Principles and recommendations		Compliance	
Principle 2 – Structure the Board to add value			
2.4	A majority of the Board should be independent directors.	The Company currently has five Directors, of which two are independent non-executive Directors. Does not comply. The size and scope of the Group's activities does not justify the cost of appointing additional independent directors at this stage.	No
2.5	The chairman of the Board should be an independent director and should not be the CEO.	The Chairman, Tai Shoo Loo is a non-executive Director, however he is deemed not to be independent due to substantial shareholding. The Group's chief executive officer, Saw Leng Yue, is not the same individual as the Chairman. Partially complies, however the Board believes the deemed non-independence of the Chairman does not impede proper oversight of the chief executive officer by the Chairman.	No
Principle 2 – Structure the Board to add value			
2.6	There should be a programme for inducting new directors and providing appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as a director effectively.	Does not presently comply, however the Nomination and Remuneration committee to implement this. This is consistent with the Nomination and Remuneration committee charter and processes to be implemented by the Group.	No
Principle 3 – Act ethically and responsibly			
3.1	Have a code of conduct for the Board, senior executives and employees, and disclose that code or a summary of that code.	The Group has adopted a code of conduct, which sets out a framework to enable Directors to achieve the highest possible standards in the discharge of their duties and to give a clear understanding of best practice in corporate governance.	Yes
Principle 4 – Safeguard Integrity in corporate reporting			
4.1	The Group should have an audit committee, which consists of only non-executive directors, a majority of independent directors, is chaired by an independent chairman who is not chairman of the Board, and has at least three members. The functions and operations of the audit committee should be disclosed.	The Group has established an Audit and Risk Management committee to assist and report to the Board.. The Audit and Risk Management committee consists of: • James Barrie(Chairman) • Tai Shoo Loo; and • Chih Chong. The committee includes two Independent Directors and is chaired by an Independent Director.	No
4.2	The Board should, before approving financial statements, receive a declaration from the CEO and CFO that, in their opinion, the financial records have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the Group, formed on the basis of a sound system of risk management and internal controls, operating effectively.	This is consistent with the approach to be adopted by the Audit and Risk Management committee and Board.	Yes
4.3	The Group's auditor should attend the AGM and be available to answer questions from security holders relevant to the audit.	The Group's auditor will be requested to attend the AGM and Shareholders will be entitled to ask questions in accordance with the Corporations Act and the relevant guidelines.	Yes

Principle 5 – Make timely and balanced disclosure			
5.1	Have a written policy for complying with continuous disclosure obligations under the Listing Rules, and disclose that policy or a summary of it.	The Group has a written continuous disclosure policy which is designed to ensure that all material matters are appropriately disclosed in a balanced and timely manner and in accordance with the requirements of the NSX Listing Rules.	Yes
Principle 6 – Respect the rights of security holders			
6.1	Provide information about the Group and its governance to investors via its website.	The Board charter and other applicable policies are available on the Group's website.	Yes
6.2	Design and implement an investor relations programme to facilitate effective two-way communication with investors.	The Group aims to ensure that all Shareholders are well informed of all major developments affecting the Group and that the full participation by Shareholders at the Group's AGM is facilitated. Does not presently comply, however the Group is consulting with its advisers to implement an effective programme.	No
6.3	Disclose the policies and processes in place to facilitate and encourage participation at meetings of security holders.	The Group intends to facilitate effective participation in the AGM, as well as the ability to submit written questions ahead of the AGM. The Group intends to adopt appropriate technologies to facilitate the effective communication and conduct of general meetings. The Group has not disclosed a formal policy or process, but has however engaged a recognised and reputable share registry service provider to further these objectives.	No
6.4	Give security holders the option to receive communications from, and send communications to, the Company and its share registry electronically.	The Company has instructed its share registry to facilitate this option for investors, as well as future Shareholders at appropriate times.	Yes
Principle 7 – Recognise and manage risk			
7.1	The Board should have a risk committee which is structured so that it consists of a majority of independent directors, is chaired by an independent director, and has at least three members. The functions and operations of the risk committee should be disclosed.	The Company has a combined Audit and Risk Management committee. See above for independent status of the committee members. The functions and operations of the committee are established under the charter. Does not comply to the extent that the Company does not have a separate risk committee, however the Board has formed the view that the audit and risk management committee is appropriately structured and consists of independent Directors to effectively fulfil its role.	No
7.2	The Board or a committee of the Board should review the entity's risk management framework with management at least annually to satisfy itself that it continues to be sound, and disclose, in relation to each reporting period, whether such a review has taken place.	The charter establishes the role of the committee. The committee will establish the risk management framework. Does not comply to the extent that the committee is newly formed and has not conducted an annual review.	No
7.3	Disclose if the Company has an internal audit function, how the function is structured and what role it performs, or if it does not have an internal audit function, that fact and the processes the Company employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.	Due to the Company's limited number of employees and relative nature and scale of its operations, the costs of an independent internal audit function would be disproportionate. The Company has an external auditor and the audit and risk management committee will monitor and evaluate material or systemic issues. Does not comply due to the nature and scale of operations, however the Board believes it and the audit and risk management committee have adequate oversight of the existing operations.	No

Corporate Governance Statement

31 December 2018

Principles and recommendations		Compliance	
Principle 7 – Recognise and manage risk			
No			
7.4	Disclose whether the Company has any material exposure to economic, environmental and social sustainability risks and, if so, how it manages those risks.	The Board does not believe the Company has any material exposure to those risks.	Yes
Principle 8 – Remunerate fairly and responsibly			
8.1	The Board should have a remuneration committee which is structured so that it consists of a majority of independent directors, is chaired by an independent director, and has at least three members. The functions and operations of the remuneration committee should be disclosed.	The Board has established a Nomination and Remuneration Committee to assist the Board to discharge its responsibilities in relation to remuneration and issues relevant to remuneration policies and practices, including those for senior management and non-executive Directors. See 1.7 above	No
8.2	The policies and practices regarding the remuneration of non-executive directors, and the remuneration of executive directors and other senior executives, should be separately disclosed.	The Company intends to adopt remuneration policies which comply with the Guidelines including separately disclosing the remuneration of non-executive Directors, and the remuneration of executive Directors and other senior executives. No Director or senior executive is involved directly in deciding their own remuneration. Does not presently comply, however the Company intends to disclose these policies and practices in its future annual reports.	No

Directors' Report

31 December 2018

The directors present their report, together with the financial statements of the Group, being a2a GN Ltd (the Company) and its controlled entities, for the year ended 31 December 2018.

General information

Directors

The names of the directors in office at any time during, or since the end of, the period are:

Names	**Appointed/Resigned**
Saw Leng Yue	
Tai Shoo Loo	
Yee Mun Loo	
Chih Chong	
James Stephen Barrie	Appointed on 1 September 2018
Marten Labo Pudun	Resigned on 1 September 2018

Directors have been in office since the start of the financial period to the date of this report unless otherwise stated.

Information on directors

The names, qualifications, experience and special responsibilities of each person who has been a director during the period and to the date of this report are:

Saw Leng Yue

Qualifications and experience	Ms. Vivian Yue has had more than 30 years of top management & marketing experience. She was the Senior Vice President of Sunsky HK Ltd., Ex-Treasurer of Hong Kong Direct Selling Association, Ex-Vice President of Bio-Young (M) Sdn Bhd. Vivian is a co-founder of a2a Global Network. She is one of the masterminds and architects of the a2a business model. She plays the key role in strategic marketing implementations, developing online & offline affiliate partners for global market. When she was the Vice President for Bio-Young (M) Sdn. Bhd, she made Namite Foundation Lingerie and Bio-Young Anti-Aging products the brand leader in the Malaysia market. She is also a highly respected, influential leader and trainer. Vivian has invested in personal development, including Brian Tracy's Personal Development Training, Robert Kiyosaki's Investment Workshop, Dale Carnegie's Communication Workshop, Jay Abraham's Marketing Workshop, and Entrepreneur workshops conducted by top trainers and entrepreneurs in Taiwan and China.
Interest in shares and options	49,619,880 shares held

Tai Shoo Loo

Qualifications and experience	Mr. Michael Loo, the Chairman of the Company has held several senior corporate positions and is the founder and president of Bio-Young (M) Sdn Bhd in Malaysia. He has over 40 years of experience in the financial, sales and marketing sectors, and has accumulated vast and invaluable hindsight in these industries. With the arrival of the new digital era, Michael has identified an opportunity that never existed before, which helps place everyone, the privileged and the underprivileged alike, at the same starting point, that is, with equal opportunity, by capitalising on the advent of the Internet, technology advancement, sharing economy models, and the huge economic value of big data analytics, to start their quest for their life betterment through adding value to everyone.
Interest in shares and options	9,751,196 shares held

Directors' Report

31 December 2018

Yee Mun Loo

Qualifications and experience	Mr. Yee Mun Loo, is the Executive Director for the Company. He graduated from the Curtin University of Technology Australia in 1996 with Degree in Commerce (Marketing). He is also a Microsoft Certified System Engineer and holds a Diploma in Computer Technology from Informatics College in Malaysia. Yee Mun has more than 20 years of experience in the field of business development. He started his career as a marketing and business development executive in a corporate training industry and since then have successfully progressed his career into other major corporations including HLA Berhad. Yee Mun has a particular interest in innovative business building approach and in 2016 he founded IDS Interior Décor Bhd which is a unique B2B platform that caters to suppliers, manufacturers and distributors.
Interest in shares and options	12,474,300 shares held

Chih Chong

Qualifications	Ms. Kasey Chong is a Non-Executive and Independent Director of the Company. She graduated from University of South Australia with a degree in Management Information Systems and has well over 16 years of experience in e-Commerce. Kasey has garnered professional certifications recognised locally and internationally including certified Scrum Master; certified in Project Management (PMPM1); certified in DiSC Trainer; and certified ITIL Service Management Foundation. With project implementation knowledge and experience working with global teams providing consultancy and technical support to business users, Kasey joined an international Tobacco company and moved up the corporate ladder, overseeing Malaysia and Singapore technical support teams.
Interest in shares and options	None held

James Stephen Barrie

Qualifications	Mr. James Stephen Barrie is a Non- Executive Director of the Company. He graduated from Queensland University with a bachelor's degree in business, Double Major in Accounting and Banking & Finance and has over 20 years' experience in entities ranging from ASX20/ASX100 through to disruptive start-ups across diverse industries including resources, pharmaceuticals, retail and technology. James has been involved with numerous IPO's on the ASX/NSX, and has a comprehensive and trusted network of advisors, brokers, lawyers, auditors, employee share plan administrators and share registrars. He is currently a Director of Sayen Global Holdings Limited and The Fernvile Group. He is the company secretary of Connect International Group Pty Limited and ThinkHoldings Limited.
Interest in shares and options	None held

Directors' Report
31 December 2018

Principal activities and significant changes in nature of activities

The principal activities of the Group during the financial period was developing and offering a data technology business platform to connect and add value for merchants and consumers.

There were no significant changes in the nature of the Group's principal activities during the financial period.

Company secretary

The following person held the position of Company secretary at the end of the financial period:

Natalie Sylvia Climo of Boardroom Pty Limited has been the Company secretary since 19 October 2018. Her experience includes corporate board process management, corporate regulatory compliance, capital raising and corporate restructuring. She is a qualified lawyer admitted in Queensland with experience in corporate law and holds a Certificate in Governance Practice and Corporate Governance from the Governance Institute of Australia.

Meetings of directors

During the financial period, 3 meeting of directors were held. Attendances by each director during the period were as follows:

	Directors' Meetings	Directors' Meetings
	Number eligible to attend	Number eligible to attend
Saw Leng Yue	3	3
Tai Shoo Loo	3	3
Yee Mun Loo	3	3
Marten Labo Pudun	1	1
Chih Chong	3	3
James Stephen Barrie	2	2

Operating results and review of operations for the year

Operating results

The consolidated loss of the Group amounted to $961,503 (2017: $176,254), after providing for income tax.

Review of operations

The Group is a data technology platform, the aim of the a2a platform is to build a large and valuable consumer dataset which in turn makes it attractive for merchants to join the a2a platform and acquire data analytics services from a2a.

The a2a platform, in accumulating consumer and merchant users, facilitates and records a large volume of transactions. The data from these transactions drives market insights and analyses consumer behaviour, which a2a in the future will be able to offer to its Affiliate Partners (through subscription or on-demand services) via the a2a platform which hosts the data.

Significant changes in state of affairs

There have been no significant changes in the state of affairs of entities in the Group during the period.

Events after the reporting date

On 25 January 2019 the group issued $350,000 of Convertible Notes for cash to an existing shareholder.. Interest will accrue at 12% per annum. The Redemption/conversion date is 12 months from the date of issue of the convertible note. Notes can be converted at any time from date of issue by the note holder. The redemption/conversion date can be extended by a further 12 months at the request of the noteholder. The notes will be redeemed in cashif not converted or extended by the note holder.

Events after the reporting date (continuation)

Except for the above, no other matters or circumstances have arisen since the end of the financial period which significantly affected or could significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

Future developments and results

Likely developments in the operations of the Group and the expected results of those operations in the future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Group.

Environmental issues

The Group's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory of Australia.

Dividends

There were no dividends declared or paid during the year.

Indemnification and insurance of officers and auditors

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

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

No indemnities have been given or insurance premiums paid, during or since the end of the financial period, for any person who is or has been an auditor of a2a GN Ltd and Controlled Entities.

Remuneration Report for the year ended 31 December 2018

Remuneration policy

The remuneration policy of a2a GN Ltd and Controlled Entities has been designed to align key management personnel (KMP) objectives with shareholder and business objectives by providing a fixed remuneration component and offering specific long-term incentives based on key performance areas affecting the Group's financial results. The Board of a2a GN Ltd and Controlled Entities believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best key management personnel to run and manage the Group, as well as create goal congruence between directors, executives and shareholders.

The Board's policy for determining the nature and amount of remuneration for key management personnel of the Group is as follows:

- The remuneration policy has been developed by the Remuneration Committee and approved by the Board following professional advice from independent external consultants.
- All key management personnel receive a base salary (which is based on factors such as length of service and experience), superannuation, fringe benefits, and performance incentives.
- The Remuneration Committee reviews key management personnel packages annually by reference to the Group’s performance, executive performance and comparable information from industry sectors.

All remuneration paid to key management personnel is valued at the cost to the Group and expensed.

Employment details of members of key management personnel

The following table details of the components of remuneration of persons who were KMP of the Group during the period. No options were issued.

Directors' Report

31 December 2018

Employment details of members of key management personnel (continued)

Directors	Position	Proportion of Remuneration not related to performance measures %
Saw Leng Yue	Chief Executive Officer	100%
Yee Mun Loo	Executive Director	100%
Tai Shoo Loo	Non- Executive Chairman	100%
Chih Chong	Independent Non-executive Director	100%
James Stephen Barrie	Independent Non-executive Director	100%

Remuneration details for the year ended 31 December 2018

The following table of benefits and payment details, in respect to the financial period, the components of remuneration for each member of the key management personnel of the Group.

2018	Salary/ Fees	Post employment benefits	Other	Total
	$	$	$	$
Directors				
Saw Leng Yue	80,912	-	18,560	99,472
Yee Mun Loo	3,316	-	-	3,316
Chih Chong	9,982	475	-	10,457
Tai Shoo Loo	-	-	-	-
James Stephen Barrie	26,400	1,254	-	27,654
	120,610	1,729	18,560	140,899

Key management personnel shareholdings

The number of ordinary shares in a2a GN Ltd held by each key management person of the Group during the financial year is as follows:

	Balance at beginning of year	Bought/ Sold duing the year	Other changes during the year	Balance at end of year
Directors				
Saw Leng Yue	49,619,880	-	-	49,619,880
Yee Mun Loo	12,474,300	-	-	12,474,300
Tai Shoo Loo	9,751,196	-	-	9,751,196
Chih Chong	-	-	-	-
James Stephen Barrie	-	-	-	-
	71,845,376	-	-	71,845,376

Relationship between remuneration policy and Group performance

For the year ended 31 December 2018 Directors were paid fixed fees with short term and post term benefits. The Directors consider that at the Group's current early stage of development, this aligns the interests of the Group to that of the Directors, and this is subject to ongoing review.

End of Audited Remuneration Report

Directors' Report

31 December 2018

Non-audit services

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

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

The amount of $27,500 was paid to the external auditors for non-audit services provided during the year ended 31 December 2018.

Auditor's independence declaration

The auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001* for the year ended 31 December 2018 has been received and can be found on page 14 of the financial report.

This director's report, incorporating the remuneration report, is signed in accordance with a resolution of the Board of Directors.

Director: .... Saw Leng Yue

Director: .... Tai Shoo Loo

Dated this .18h day of .March 2019

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AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF A2A GN LIMITED

As lead auditor of a2a GN Limited for the year ended 31 December 2018, I declare that, to the best of my knowledge and belief, there have been:

1. no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and

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

LNP Audit and Assurance

Tony Rose
Director

18 March 2019

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2018

	Note	2018 $	8 September 2017 to 31 December 2017 $
Sales revenue	5	**1,152,633**	734,614
Cost of sales		**(458,509)**	(6,972)
Gross profit		**694,124**	727,642
Other income	5	**177,407**	5,696
Administrative expenses		**(654,652)**	(78,755)
Depreciation expense		**(64,570)**	(22,779)
Employee benefit expenses		**(471,890)**	(256,856)
Professional fee		**(401,912)**	(309,269)
Marketing expenses		**(95,250)**	(76,561)
Occupancy costs		**(91,528)**	(16,442)
Other expenses		**(53,232)**	(148,930)
Loss before income tax		**(961,503)**	(176,254)
Income tax expense	6	-	-
Loss from continuing operations		**(961,503)**	(176,254)
Loss for the period		**(961,503)**	(176,254)
Other comprehensive income, net of income tax			
Items that will not be reclassified subsequently to profit or loss		-	-
Items that will be reclassified to profit or loss when specific conditions are met			
- Exchange differences on translating foreign controlled entities		**38,569**	74,938
Other comprehensive income for the year, net of tax		**38,569**	74,938
Total comprehensive loss for the year		**(922,934)**	(101,316)
Loss attributable to:			
Members of the parent entity		**(961,503)**	(176,254)
Total comprehensive loss attributable to:			
Members of the parent entity		**(922,934)**	(101,316)
Earnings per share – attributable to ordinary shareholders			
Basic earnings per share (cents per share)	14	(0.6260)	(0.1363)
Diluted earnings per share (cents per share)	14	(0.6260)	(0.1363)

The accompanying noted form part of these financial statements

a2a GN Ltd and Controlled Entities

ACN 621 583 882

Consolidated Statement of Financial Position

As At 31 December 2018

	Note	2018 $	2017 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	7	**79,442**	978,003
Trade and other receivables	8	**63,700**	33,884
TOTAL CURRENT ASSETS		**143,142**	1,011,887
NON-CURRENT ASSETS			
Property, plant and equipment and software	9	**154,869**	181,455
TOTAL NON-CURRENT ASSETS		**154,869**	181,455
TOTAL ASSETS		**298,011**	1,193,342
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	**211,359**	292,860
Other financial liabilities	11	**66,667**	-
TOTAL CURRENT LIABILITIES		**278,026**	292,860
TOTAL LIABILITIES		**278,026**	292,860
NET ASSETS		**19,985**	900,482
EQUITY			
Issued capital	12	**898,480**	856,043
Reserves		**113,507**	74,938
Retained earnings		**(992,002)**	(30,499)
TOTAL EQUITY		**19,985**	900,482

The accompanying noted form part of these financial statements

Consolidated Statement of Changes in Equity

For the Year Ended 31 December 2018

2018

	Ordinary Shares	Retained Earnings	Foreign Currency Translation Reserve	Total
	$	$	$	$
Balance at January 1, 2018	**856,043**	**(30,499)**	**74,938**	**900,482**
Loss attributable to members of the parent entity	**-**	**(961,503)**	**-**	**(961,503)**
Foreign currency translation	**-**	**-**	**38,569**	**38,569**
Shares issued during the year	**42,437**	**-**	**-**	**42,437**
Balance at 31 December 2018	**898,480**	**(992,002)**	**113,507**	**19,985**

2017

	Ordinary Shares	Retained Earnings	Foreign Currency Translation Reserve	Total
	$	$	$	$
Balance at January 1, 2017	-	145,755	-	145,755
Loss attributable to members of the parent entity	-	(176,254)	-	(176,254)
Foreign currency translation	-	-	74,938	74,938
Shares issued during the year	856,043	-	-	856,043
Balance at 31 December 2017	856,043	(30,499)	74,938	900,482

Consolidated Statement of Cash Flows

For the Year Ended 31 December 2018

	Note	2018 $	8 September 2017 to 31 December 2017
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers		**1,122,817**	730,641
Payments to suppliers and employees		**(2,300,935)**	(709,399)
Interest received		**3,137**	3,650
Net cash (used in)/ provided by operating activities	21	**(1,174,981)**	24,892
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of property, plant and equipment		**(42,409)**	(10,311)
Net cash used in investing activities		**(42,409)**	(10,311)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from issue of shares		**42,437**	-
Proceeds from borrowings		**237,823**	-
Net cash provided by financing activities		**280,260**	-
Effects of exchange rate changes on cash and cash equivalents		**38,569**	74,938
Net (decrease)/ increase in cash and cash equivalents held		**(898,561)**	89,519
Cash and cash equivalents at beginning of year		**978,003**	888,484
Cash and cash equivalents at end of the period	7	**79,442**	978,003

The accompanying noted form part of these financial statements

Notes to the Financial Statements

For the Year Ended 31 December 2018

The financial report covers a2a GN Ltd and its controlled entities ('the Group'). a2a GN Ltd is a public company, incorporated and domiciled in Australia.

Each of the entities within the Group prepare their financial statements based on the currency of the primary economic environment in which the entity operates (functional currency). The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

The financial report was authorised for issue by the Directors on 18 March 2019.

The comparatives are for the period from the date of incorporation on 8 September 2017 to 31 December 2017.

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards and the *Corporations Act 2001*.

These financial statements comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

2 Change in Significant Accounting Policies

Financial Instruments - Adoption of AASB 9

The Group has adopted AASB 9 *Financial Instruments* for the first time in the current year with a date of initial adoption of 1 January 2018.

As part of the adoption of AASB 9, the Group adopted consequential amendments to other accounting standards arising from the issue of AASB 9 as follows:

- AASB 101 *Presentation of Financial Statements* requires the impairment of financial assets to be presented in a separate line item in the consolidated statement of profit or loss and other comprehensive income. In the comparative year, this information was presented as part of other expenses.

- AASB 7 *Financial Instruments: Disclosures* requires amended disclosures due to changes arising from AASB 9, this disclosures have been provided for the current year.

The key changes to the Group's accounting policy and the impact on these financial statements from applying AASB 9 are described below.

Changes in accounting policies resulting from the adoption of AASB 9 have been applied retrospectively except the Group has not restated any amounts relating to classification and measurement requirements including impairment which have been applied from 1 January 2018.

Classification of financial assets

The financial assets of the Group have been reclassified into one of the following categories on adoption of AASB 9 based on primarily the business model in which a financial asset is managed and its contractual cash flow characteristics:

- Measured at amortised cost

2 Change in Significant Accounting Policies (continued)

Measurement of equity instruments

All equity instruments of the Group are measured at fair value under AASB 9 whereas there was a cost exception under AASB 139 which allowed certain unlisted investments to be carried at amortised cost in the absence of a reliable measurement of fair value.

Impairment of financial assets

The incurred loss model from AASB 139 has been replaced with an expected credit loss model in AASB 9 for assets measured at amortised cost, contract assets and fair value through other comprehensive income. This has resulted in the earlier recognition of credit loss (bad debt provisions).

Revenue from Contracts with Customers - Adoption of AASB 15

The Group has adopted AASB 15 *Revenue from Contracts with Customers* for the first time in the current year with a date of initial application of 1 January 2018.

There were no significant changes in the accounting policies as a result of the adoption of AASB 15.

The Group has applied AASB 15 using the cumulative effect method which means the comparative information has not been restated and the comparative information continues to be reported under AASB 111, AASB 118 and related interpretations.

3 Summary of Significant Accounting Policies

(a) Basis for consolidation

The consolidated financial statements include the financial position and performance of controlled entities from the date on which control is obtained until the date that control is lost.

Intragroup assets, liabilities, equity, income, expenses and cashflows relating to transactions between entities in the consolidated entity have been eliminated in full for the purpose of these financial statements.

Appropriate adjustments have been made to a controlled entity's financial position, performance and cash flows where the accounting policies used by that entity were different from those adopted by the consolidated entity. All controlled entities have a June financial year end.

A list of controlled entities is contained in Note 21 to the financial statements. Subsidiaries are all entities (including structured entities) over which the parent has control. Control is established when the parent is exposed to, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity.

(b) Business combinations

Business combinations occur where an acquirer obtains control over one or more businesses. Business combinations are accounted for by applying the acquisition method. Business combinations are accounted for from the date that control is attained whereby the fair values of the identifiable assets acquired and liabilities (including contingent liabilities) assumed are recognised (with limited exceptions).

Transaction costs incurred in relation to business combinations are recognised in profit and loss.

Notes to the Financial Statements

For the Year Ended 31 December 2018

3 Summary of Significant Accounting Policies

(b) Business combinations (continued)

On 8 August 2017, a2a Holdings (the Intermediate Parent) acquired 100% of the ordinary share capital of a2a Global Network (the Subsidiary) via the issue of 8,773,292 ordinary shares of the Intermediate Parent to the shareholders of the Subsidiary acquisition (i).

On 26 September 2017, a2a (the Parent) acquired 100% of the ordinary share capital of a2a Holdings via the issue of 13,532,648 ordinary shares of the Parent to the shareholders of the Subsidiary – acquisition (ii).

In these business combinations, (i) the Intermediate Parent became the owner of the Subsidiary, and (ii) the Parent became the legal owner of the Intermediate Parent. However, the former shareholders of the (i) Subsidiary/(ii) Intermediate Parent became the shareholders of the (i) Intermediate Parent/(ii) Parent, and are hence able to control the strategic decisions and therefore the operations of the combined entity. In accordance with AASB 3 Business combinations, these transactions are in substance 'reverse acquisitions', whereby the acquirer for accounting purposes is the legal subsidiary, and the legal parent becomes the accounting subsidiary.

In each of these reverse acquisitions no consideration was issued. Instead, equity shares were issued in the legal parent to the owners of the legal subsidiary. Accordingly, the acquisition date fair value of the consideration transferred by the legal subsidiary (the accounting acquirer) for its interest in the legal parent (the accounting acquiree) is based on the number of equity interests the legal subsidiary would have had to issue to give the owners of the legal parent the same percentage equity interest in the combined entity that results from the reverse acquisition. The fair value of the number of equity interests calculated in this way is used as the fair value of consideration transferred in exchange for the acquiree (the Parent).

Under reverse acquisition accounting, the consolidated proforma statement of financial position, although issued under the name of a2a represents a continuation of the proforma statement of financial position of a2a Global Network, except for its capital structure, which is adjusted to change a2a Global Network's capital to reflect the capital of a2a. The consolidated proforma statement of financial position therefore reflects:

- the assets and liabilities of a2a Global Network (the accounting acquirer) recognised and measured at their pre combination carrying amounts;
- the assets and liabilities of a2a (the accounting acquiree) recognised and measured in accordance with AASB 3 Business Combinations;
- the retained earnings and other equity balances of a2a Global Network (accounting acquirer) before the business combination;
- the equity structure of a2a Global Network (accounting acquirer) is restated to reflect that of a2a, using the exchange ratio established in the acquisition agreement to reflect the number of shares of the Parent issued in the acquisition.

No cash consideration passed, and no fair value adjustments were required to be made as a result of these business combinations, and due to reverse acquisition accounting, the fair value of the assets acquired and liabilities assumed were equal to the fair value of the equity instruments issued and no goodwill arose.

The acquisitions are summarised as follows.

Acquisition i

Fair value of net assets acquired; MYR 8,773,292

Fair value of shares issued; MYR 8,773,292

Acquisition ii

Fair value of net assets acquired; AUD 856,043

Fair value of shares issued; AUD 856,043

3 Summary of Significant Accounting Policies

(c) Income Tax

Current tax is the amount of income taxes payable (recoverable) in respect of the taxable profit (loss) for the period and is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the tax rates and laws that have been enacted or substantively enacted by the end of the reporting period. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

The tax expense recognised in the statement of profit or loss and other comprehensive income comprises of current income tax expense plus deferred tax expense.

Current income tax expense charged to profit or loss is the tax payable on taxable income. Current tax liabilities are therefore measured at the amounts expected to be paid or recovered from the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses. Current and deferred income tax expense is charged or credited outside profit or loss when the tax relates to items that are recognised outside profit or loss.

Except for business combinations, no deferred income tax is recognised from the initial recognition of an asset or liability where there is no effect on accounting or taxable profit or loss.

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

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits can be utilised. No deferred tax asset has been recognised in this pro forma statement of financial position, or historical financial information, as the timing of recoverability is not sufficiently certain.Current tax assets and liabilities are offset where a legally enforceable right of setoff exists and it is intended that settlement or simultaneous realisation and settlement of the asset and liability will occur.

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

(d) Leases

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the life of the lease term.

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

3 Summary of Significant Accounting Policies

(e) Revenue and other income

Revenue from contracts with customers

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Group expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

Identify the contract with the customer, identify the performance obligations, determine the transaction price, Allocate the transaction price to the performance obligations, and recognise revenue as and when control of the performance obligations is transferred.

Interest revenue

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

Rendering of services

Services revenue is recognised on delivery to the customer.

Other income

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

For Comparative year

Consulting Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Group and specific criteria relating to the type of revenue as noted below, has been satisfied. Consulting Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

For the sale of goods, Revenue is recognised on transfer of goods to the customer as this is deemed to be the point in time when risks and rewards are transferred and there is no longer any ownership or effective control over the goods.

3 Summary of Significant Accounting Policies

(f) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

(g) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO) or the Malaysian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense.

Receivables and payables in the Statement of Financial Position are shown inclusive of GST. The net amount of GST recoverable from, or payable to, is included with other receivables or payables. Receivables and payable are stated inclusive of GST. Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable or payable are presented as operating cash flows included in receipts from customers or payments to suppliers.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(h) Property, plant and equipment

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

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced.

Plant and equipment

Plant and equipment are measured using the cost model.

Depreciation

Property, plant and equipment, is depreciated on a straight-line basis over the assets useful life to the Group, commencing when the asset is ready for use.

Leased assets and leasehold improvements are amortised over the shorter of either the unexpired period of the lease or their estimated useful life.

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3 **Summary of Significant Accounting Policies**

Depreciation (continued)

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	**Useful Life**
Furniture, Fixtures and Fittings	5 years
Computer Equipment and software	3 - 5 years
Leasehold improvements	5 years

Assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount and are included in profit or loss.

(i) Financial instruments

Financial instruments are recognised initially on the date that the Group becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

All recognised financial assets are subsequently measured in their entirety at amortised cost.

Classification

On initial recognition, the Group classifies its financial assets into those measured at amortised cost

In some circumstances, the Group renegotiates repayment terms with customers which may lead to changes in the timing of the payments, the Group does not necessarily consider the balance to be impaired, however assessment is made on a case by case basis.

Financial liabilities

Financial liabilities are classified as either financial liabilities ‘at fair value through profit or loss’ or other financial liabilities depending on the purpose for which the liability was acquired. Although the Group uses derivative financial instruments in economic hedges of currency and interest rate risk, it does not hedge account for these transactions.

The Group‘s financial liabilities include borrowings, trade and other payables (including finance lease liabilities), which are measured at amortised cost using the effective interest rate method.

Impairment of Financial Assets

At the end of the reporting period the Group assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired.

3 Summary of Significant Accounting Policies

(i) Financial instruments (Continued)

Financial assets at amortised cost

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial assets original effective interest rate. Impairment on loans and receivables is reduced through the use of an allowance accounts, all other impairment losses on financial assets at amortised cost are taken directly to the asset.

Subsequent recoveries of amounts previously written off are credited against other expenses in profit or loss.

- the business model is to hold assets to collect contractual cash flows; and

- the contractual terms give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding.

The Group's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the consolidated statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate

The financial liabilities of the Group comprise trade payables and other loans

For comparative year

Financial instruments are recognised initially using trade date accounting, i.e. on the date that the Group becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred)

Financial assets

Financial assets are divided into the following categories which are described in detail below:

- loans and receivables;

Financial assets are assigned to the different categories on initial recognition, depending on the characteristics of the instrument and its purpose. A financial instrument's category is relevant to the way it is measured and whether any resulting income and expenses are recognised in profit or loss or in other comprehensive income.

All income and expenses relating to financial assets are recognised in the consolidated statement of profit or loss and other comprehensive income in the 'finance income' or 'finance costs' line item respectively.

Loans and receivables

Loans and receivables are non derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers but also incorporate other types of contractual monetary assets.

3 Summary of Significant Accounting Policies

(i) Financial instruments (Continued)

After initial recognition these are measured at amortised cost using the effective interest method, less provision for impairment. Any change in their value is recognised in profit or loss

(j) Impairment of non-financial assets

At the end of each reporting period the Group determines whether there is an evidence of an impairment indicator for non financial assets.

Where an indicator exists and regardless for goodwill, indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash generating unit (CGU) is estimated. The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss, except for goodwill.

(k) Intangibles

Software

Software has a finite life and is carried at cost less any accumulated amortisation and impairment losses. It has an estimated useful life of between one and five years.

Amortisation

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use.

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

(l) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

3 Summary of Significant Accounting Policies

(m) Employee benefits

Provision is made for the Group's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on high quality corporate bond rates with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss. Obligations for contributions to defined contribution

(n) New Accounting Standards and Interpretations

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The Group has decided not to early adopt these Standards. The following table summarises those future requirements, and their impact on the Group where the standard is relevant:

Standard Name	Effective date for entity	Requirements	Impact
AASB 16 Leases	Annual reporting period beginning on or after 1 January 2019	AASB 16 will cause the majority of an entity to be brought onto the statement of financial position. There are limited exceptions relating to short term leases and low value assets which may remain off balance sheet. The calculation of the lease liability will take into account appropriate discount rates, assumptions about lease term and increases in lease payments. A corresponding right to use asset will be recognised which will be amortised over the term of the lease. Rent expense will no longer be shown, the profit and loss impact of the leases will be through amortisation and interest charges.	At 31 December 2018 the Group does not have material long term leases. Therefore no material impact is expected at this time.

4 Critical Accounting Estimates and Judgments

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Going Concern

The directors have prepared financial statements on a going concern basis which contemplates the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business.

At 31 December 2018 The Group recorded a loss after tax for the year of $961,503 (2017: $176,254). The Group has also incurred operating cash outflows of $1,174,981 (2017: cash inflow of $24,892). As at 31 December 2018 the Group had net current liabilities of $134,884 (31 December 2017: net current assets of $719,027).

The ability of the Company and the Group to continue to pay their debts as and when they fall due are dependent upon the Company and the Group; sourcing additional working capital, and achieving additional revenues or reducing expenses.

The Group has raised capital to get to the current stage of development, and since the end of the year the Group has raised an additional $350,000 by issuing notes as detailed in note 22 and are confident of raising additional capital from shareholders and financiers as and when it may be required. Supporting this, Tai Shoo Loo, Saw Leng Yue and Yee Mun Loo (“Guaranteeing Directors”) have jointly and severally given a personal guarantee to the Group capped at $1,000,000 with the effect that together the Guaranteeing Directors will make sufficient funds available to Group up to the cap as required to enable the Group to meet the Group’s obligations in the normal course of business for the period to 30 June 2020, and that the Guaranteeing Directors are in a position to make this guarantee.

The Group has achieved revenues from its platform and other activities during the year, and is confident of being able to increase revenues in the future.

The Group has the option to reduce expenditures should this be necessary and expenses which could be reasonably reduced include travel and discretionary bonuses.

Should the Group not be able to raise additional capital, reduce expenses, or increase revenues, this may impact the Group’s ability to continue as a going concern and therefore the Group may not be able to realise its assets and extinguish its liabilities in the ordinary course of operations and at the amounts stated in the financial report.

Notwithstanding the above, the directors believe that the Group will be successful in the above matters and be in a position to realise its assets and settle its liabilities and commitments in the normal course of business and at the amounts stated in the financial report. Accordingly, the financial report has been prepared on a going concern basis.

Notes to the Financial Statements

For the Year Ended 31 December 2018

5 Revenue from continuing operations

	2018	8 September 2017 to 31 December 2017
	$	$
Sales revenue		
Consulting services	**954,217**	734,614
Commissions	**185,976**	-
Memberships	**12,440**	-
Total Revenue	**1,152,633**	734,614

	2018	8 September 2017 to 31 December 2017
Other Income		
- Loan forgiveness	**171,157**	-
- foreign currency translation gains	**3,113**	2,046
- interest income	**3,137**	3,650
	177,407	5,696

6 Income Tax Expense

(a) Reconciliation of income tax to accounting profit:

	2018	8 September 2017 to 31 December 2017
	$	$
Loss	**(961,503)**	(176,254)
Tax	**24.00%**	24.00%
	(230,760)	(42,301)
Add:		
Tax effect of:		
- tax loss carry forward	**230,760**	42,301
Income tax expense	**-**	-

7 Cash and Cash Equivalents

	2018	2017
	$	$
Cash at bank and in hand	**79,442**	978,003

Notes to the Financial Statements

For the Year Ended 31 December 2018

8 Trade and Other Receivables

	2018	2017
	$	$
CURRENT		
Trade receivables	**5,788**	11,280
GST receivable	**24,848**	-
Other receivables	**33,064**	22,604
Total current trade and other receivables	**63,700**	33,884

No trade debtors are past due at 31 December 2018. An analysis of trade debtors is at Note 17.

9 Property, plant and equipment

PLANT AND EQUIPMENT

	2018	2017
	$	$
Furniture, fixtures and fittings		
At cost	**24,798**	9,924
Accumulated depreciation	**(11,870)**	(2,682)
Total furniture, fixtures and fittings	**12,928**	7,242
Office equipment		
At cost	**205,496**	163,226
Accumulated depreciation	**(103,941)**	(55487)
Total office equipment	**101,555**	107,739
Leasehold Improvements		
At cost	**94,270**	109,006
Accumulated amortisation	**(53,884)**	(42,532)
Total leasehold improvements	**40,386**	66,474
Total property, plant and equipment	**154,869**	181,455

Notes to the Financial Statements

For the Year Ended 31 December 2018

10 Trade and Other Payables

	2018	2017
	$	$
Trade payables and accruals	**119,545**	145,841
Deposits	**91,814**	147,019
	211,359	292,860

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

11 Other financial liabilities

	2018	2017
	$	$
Convertible notes	**66,667**	-
	66,667	-

The convertible notes subscribed and issued by a2a GN Limited at $0.10 per share in December 2018 with an interest of 12% per annum. This can be converted at any time up to 12 months from issue date. If not converted 12 months from date of issue the notes can be extended at the option of the noteholder, If not converted or extended by the noteholder the notes must be redeemed.

Notes to the Financial Statements

For the Year Ended 31 December 2018

12 Issued Capital

	2018	2017
	$	$
153,918,511 (2017: 153,532,648) Ordinary shares	**856,043**	2
Shares issued during the year		
26 September 2017 153,532,646 shares at fair value		856,041
15 February 2018: 55,000 shares issued @ $0.17	**9,350**	-
18 December 2018: 330,863 shares issued @ $.10	**33,087**	-
Total	**898,480**	856,043

(a) Ordinary shares

	2018	2017
	No.	No.
At the beginning of the reporting period	**153,532,648**	2
Shares issued during the year		
26 September 2017 153,532,646 shares at fair value		153,532,646
15 February 2018: 55,000 shares issued @ $0.17	**55,000**	-
18 December 2018: 330,863 shares issued @ $.10	**330,863**	-
Share at the end of the reporting period	**153,918,511**	153,532,648

The holders of ordinary shares are entitled to participate in dividends and the proceeds on winding up of the Company. On a show of hands at meetings of the Company, each holder of ordinary shares has one vote in person or by proxy, and upon a poll each share is entitled to one vote.

The Company does not have authorised capital or par value in respect of its shares.

13 Reserves

(a) Foreign currency translation reserve

Exchange differences arising on translation of the foreign controlled entity are recognised in other comprehensive income - foreign currency translation reserve. The cumulative amount is reclassified to profit or loss when the net investment is disposed of.

14 Earnings per Share

(a) Reconciliation of earnings to profit or loss from continuing operations

	2018	2017
	$	$
Loss from continuing operations	**(961,503)**	(176,255)

(b) Earnings used to calculate overall earnings per share

	2018	2017
	$	$
Earnings used to calculate overall earnings per share	**(961,503)**	(176,255)

(c) Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS

	2018	2017
	No.	No.
Weighted average number of ordinary shares outstanding during the year used in calculating basic and diluted EPS Convertible notes are antidilutive therefore no impact on number of shares.	**153,592,665**	129,290,651

15 Capital and Leasing Commitments

Operating Leases

	2018	2017
	$	$
Minimum lease payments under non-cancellable operating leases:		
- not later than one year	**62,340**	13,989

The Group has no other commitments.

16 Financial Risk Management

The Group is exposed to a variety of financial risks through its use of financial instruments. The Group‘s overall risk management plan seeks to minimise potential adverse effects due to the unpredictability of financial markets.

The most significant financial risks to which the Group is exposed to are described below:

Specific risks

- Liquidity risk
- Credit risk
- Market risk - currency risk, interest rate risk and price risk

Financial instruments used

The principal categories of financial instrument used by the Group are:

- Trade receivables
- Cash at bank

16 Financial Risk Management (continued)

- Bank overdraft
- Trade and other payables
- Borrowings or loans

Objectives, policies and processes

The Board of Directors have overall responsibility for the establishment of the Group's financial risk management framework. This includes the development of policies covering specific areas such as foreign exchange risk, interest rate risk, credit risk and the use of derivatives.

Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The day-to-day risk management is carried out by the Group's finance function under policies and objectives which have been approved by the Board of Directors. The Chief Financial Officer has been delegated the authority for designing and implementing processes which follow the objectives and policies. This includes monitoring the levels of exposure to interest rate and foreign exchange rate risk and assessment of market forecasts for interest rate and foreign exchange movements.

The Board of Directors receives monthly reports which provide details of the effectiveness of the processes and policies in place.

Mitigation strategies for specific risks faced are described below:

Liquidity risk

Liquidity risk arises from the Group's management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due.

The Group's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities as and when they fall due. The Group maintains cash and marketable securities to meet its liquidity requirements for up to 30-day periods. Funding for long-term liquidity needs is additionally secured by an adequate amount of committed credit facilities and the ability to sell long-term financial assets.

The Group manages its liquidity needs by carefully monitoring scheduled debt servicing payments for long-term financial liabilities as well as cash-outflows due in day-to-day business.

Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well as on the basis of a rolling 30-day projection. Long-term liquidity needs for a 180-day and a 360-day period are identified monthly.

16 Financial Risk Management (continued)

Liquidity risk

The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates and does not reflect management's expectations that banking facilities will be rolled forward. The amounts disclosed in the table are the undiscounted contracted cash flows and therefore the balances in the table may not equal the balances in the statement of financial position due to the effect of discounting.

The Group's liabilities have contractual maturities which are summarised below:	Not later than 1 month		3 months to 1 year	
	2018	**2017**	**2018**	**2017**
	$	**$**	**$**	**$**
Trade payables	**211,399**	292,860	-	**-**
Financial liabilities	**-**	-	**66,667**	-
Total	**211,399**	292,860	**66,667**	**-**

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group.

Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, as well as credit exposure to wholesale and retail customers, including outstanding receivables and committed transactions.

The Group has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The utilisation of credit limits by customers is regularly monitored by line management. Customers who subsequently fail to meet their credit terms are required to make purchases on a prepayment basis until creditworthiness can be re-established.

Trade Receivables

The Group applies the AASB9 simplified model of recognising lifetime expected credit losses for all trade receivables as these items do not have a significant financing component.

In measuring the expected credit losses, the trade receivables have been assessed on a collective basis as they possesses shared credit risk characteristics. They have been grouped based on days past due and according to geographic location of customers.

The expected loss rates are based on payments and sales since 8 September 2017. The historical rates are adjusted to reflect current and forward-looking macroeconomic factors affecting the customers ability to settle amounts outstanding. The Group has identified gross domestic product and unemployment rates of the countries in which the customers are domiciled to be the most relevant factors and adjusts historical loss rates for expected changes in these factors. However given the short period exposed to credit risk, the impact of these macroeconomic factors has not been considered within this reporting period. Trade receivables are written off (i.e. derecognised) when there is no reasonable expectation of recovery.

16 Financial Risk Management (continued)

Credit risk

All the Groups receivables remain within their initial trade terms, are less than 60 days old, and are considered to be of high credit quality.

The Group does not hold any financial assets with terms that have been renegotiated, but which would otherwise be past due or impaired.

Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there is objective evidence indicating that the debt may not be fully repaid to the Group

17 Key Management Personnel Remuneration

Key management personnel remuneration included within employee expenses for the period is shown below:

	2018	2017
	$	$
Short-term employee benefits	**140,899**	38,737
	140,899	38,737

18 Auditors' Remuneration

	2018	2017
	$	$
Remuneration of the auditor for:		
- auditing or reviewing the financial statements and the half year financial report	**39,000**	27,500
- preparation of Investigating Accountant Report	**27,500**	27,500
Total	**66,500**	55,000

19 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 31 December 2018.

20 Related Parties

(a) The Group's main related parties are as follows:

The ultimate parent entity, which exercises control over the Group, is a2a GN Ltd which is incorporated in Australia and owns 100% of a2a Global Network Holdings Sdn Bhd which owns 100% of a2a Global Network Sdn Bhd. Each entity is incorporated in Malaysia.

Key management personnel - refer to Note 17.

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

The following Directors Tai Shoo Loo, Saw Leng Yue and Yee Mun Loo have provided a guarantee to support the Group to the value of $1 million. The guarantee expires on 30 June 2020.

Notes to the Financial Statements

For the Year Ended 31 December 2018

23 Parent entity

The following information has been extracted from the books and records of a2a GN Ltd.

	2018	2017
	$	$
Statement of Financial Position		
Assets		
Current asset	**18,318**	2
Non-current assets	**-**	856,041
Total Assets	**18,318**	856,043
Liabilities		
Current liabilities	**617,306**	131,940
Non-current liabilities	**59,523**	-
Total liabilities	**676,829**	131,940
Net Assets/(Deficiency)	**(658,511)**	724,103
Equity		
Issued Capital	**898,479**	856,043
Share Option	**7,143**	-
Retained Earnings	**(1,564,133)**	(131,940)
Total Equity	**(658,511)**	724,103
Statement of Profit or Loss and Other Comprehensive Income		
Expenses	**(1,432,193)**	(131,940)
Loss before income tax	**(1,432,193)**	(131,940)
Income tax expense	**-**	-
Loss from continuing operations	**(1,432,193)**	(131,940)
Total comprehensive loss for the year	**(1,432,193)**	(131,940)

Contingent liabilities

The parent entity did not have any contingent liabilities as at 31 December 2018.

24 Statutory Information

The registered office of the company is:

a2a GN Ltd and Controlled Entities
C\- Boardroom Limited
Level 12, 225 George Street
Sydney NSW 2000

21 Cash Flow Information

(a) Reconciliation of result for the year to cashflows from operating activities

Reconciliation of net income to net cash provided by operating activities:

	2018	2017
	$	$
Loss for the year	**(961,503)**	(176,255)
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
- depreciation	**64,570**	22,779
- loss on disposal of property, plant and equipment	**4,152**	-
- unrealised forex gain/loss	**273**	-
- loan forgiveness	**(171,157)**	-
Changes in assets and liabilities:		
- (increase) in trade and other receivables	**(25,707)**	(3,973)
- (increase) in prepayments	**(4,109)**	(42,034)
- increase/(decrease) in trade and other payables	**(81,500)**	224,375
Cashflows from operations	**(1,174,981)**	24,892

22 Events Occurring After the Reporting Date

The financial report was authorised for issue on 18 March 2019 by the board of directors.

On 25 January 2019 the Group issued $350,000 of Convertible Notes. Interest will accrue at 12% per annum Redemption/conversion date is 12 months from the date of the Convertible Note. Notes can be converted at any time from date of issue by the note holder. The redemption/conversion date can be extended by a further 12 months at the request of the noteholder. Note will be redeemed if not converted by the note holder on the date of expiration being 12 months from issue date.

Except for the above, no other matters or circumstances have arisen since the end of the financial period which significantly affected or could significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

Directors' Declaration

The directors of the Company declare that:

1. the financial statements and notes for the year ended 31 December 2018 are in accordance with the *Corporations Act 2001* and:

   a. comply with Accounting Standards, which, as stated in basis of preparation Note 1 to the financial statements, constitutes explicit and unreserved compliance with International Financial Reporting Standards (IFRS); and

   b. give a true and fair view of the financial position and performance of the consolidated group;

2. the Chief Executive Officer and Chief Finance Officer have given the declarations required by Section 295A that:

   a. the financial records of the Company for the financial period have been properly maintained in accordance with section 286 of the *Corporations Act 2001*;

   b. the financial statements and notes for the financial period comply with the Accounting Standards; and

   c. the financial statements and notes for the financial period give a true and fair view.

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

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

Director	Director ....
Saw Leng Yue	Tai Shoo Loo

Dated this 18th day of March 2019

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INDEPENDENT AUDIT REPORT TO THE MEMBERS OF A2A GN LTD
Report on the Audit of the Financial Report

Opinion

We have audited the financial report of a2a GN Ltd (the Company), including its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2018, the consolidated income statement, consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the period then ended, notes comprising a summary of significant accounting policies and other explanatory information and the Directors' Declaration of the Company.

In our opinion:

(a) the accompanying financial report of a2a GN Ltd is in accordance with the Corporations Act 2001, including:

i) Giving a true and fair view of the Group's consolidated financial position as at 31 December 2018 and of its consolidated financial performance for the period ended on that date; and

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

(b) the consolidated financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

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 Consolidated Financial Statements 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; and we have 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.

Material Uncertainty Relating to Going Concern

We draw attention to Note 4 in the financial report which indicates that the Group has recorded a loss after tax for the year of $961,503 (2017: $176,254). The Group has also incurred operating cash outflows of $1,174,981 (2017: cash inflow of $24,892). As at 31 December 2018 the Group has net current liabilities of $134,884 (31 December 2017: net current assets of $719,027). As stated in Note 4 these events or conditions, along with other matters set out in Note 4, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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

Key Audit Matter	How our audit addressed the matter
Related Party Disclosures The related parties identified by the Group are the Directors and their related parties. The Group's working capital has been guaranteed by the directors at 31 December 2018 (refer to Note 20). Related party transactions are a key audit matter as they are integral to financing and operations of the Group.	Our procedures included: • Critically enquiring of and considering the identity of related parties and related party transactions, • obtaining correspondence from relevant related parties in relation to transactions, balances and terms, • considering the terms of transactions with related parties, and • evaluating the adequacy of disclosure of related party transactions and balances

Other information

The Directors are responsible for the other information. The other information comprises the information to be included in the Annual Report to Shareholders for the year ended 31 December 2018 (Annual Report) and the Preliminary report to the National Stock Exchange of Australia (NSX), which is not included the financial report for the year ended 31 December 2018 (Financial Report) and our auditors report thereon. This information is expected to be made available to us 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.

In connection with our audit of the Financial Report, our responsibility is to read the other information identified above when it becomes available 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.

When we read the other information, if we conclude that there is a material misstatement of the other information, we are required to report that matter.

Directors' Responsibilities

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 our opinion on the financial report. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause 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 are also required to 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.

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 11 to 12 of the Directors' Report for the year ended 31 December 2018.

In our opinion, the Remuneration Report of a2a GN Ltd for the year ended 31 December 2018, complies with section 300A of the Corporations Act 2001.

Responsibilities

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

The engagement partner on the audit resulting in this independent auditor's report is Anthony Rose.

LNP Audit and Assurance Pty Ltd

Anthony Rose
Director

Sydney, 18 March 2019