a2a GN Ltd

ACN 621 583 882

Annual Report - 31 December 2019

Directors	Saw Leng Yue Tai Shoo Loo Yee Mun Loo Chih Chong James Stephen Barrie
Company secretary	James Stephen Barrie
Registered office	Level 14 309 Kent Street Sydney NSW 2000 Australia
Principal place of business	1205 – 1208, Level 12, Faber Tower 2, Jalan Desa Bahagia, Taman Desa, 58100 Kuala Lumpur, Malaysia
Auditor	William Buck Level 20 181 William Street Melbourne VIC 3000
Website	www.a2aglobalnetwork.com
Corporate Governance Statement	Refer to www.a2aglobalnetwork.com
Stock exchange listing	A2A GN Ltd shares are listed on the National Stock Exchange of Australia (NSX) under code NSX: A2A

General information

The financial statements cover a2a GN Ltd as a consolidated entity consisting of a2a GN Ltd and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is a2a GN Ltd's functional and presentation currency.

a2a GN Ltd is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business are:

Registered office	**Principal place of business**
Level 14 309 Kent Street Sydney NSW 2000 Australia	1205 – 1208, Level 12, Faber Tower 2, Jalan Desa Bahagia, Taman Desa, 58100 Kuala Lumpur, Malaysia

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

The financial statements were authorised for issue, in accordance with a resolution of directors, on 31 March 2020. The directors have the power to amend and reissue the financial statements.

a2a GN Ltd
Message from the Chairman and CEO
31 December 2019

Dear shareholder,

On behalf of the Board, it is with pleasure we present our Annual Report for the year ending 31 December 2019, our second since listing on the National Stock Exchange in June 2018.

The past year has been focussed on development of our JomSave application. JomSave is an all-win platform, designed to benefit all parties – consumers, merchant, digital partners and A2A shareholders. Utilising blockchain and artificial intelligence (AI) technology, JomSave will allow us to capture and monetise the "Big Data" that will be captured.

We have achieved a number of key milestones in the development of JomSave over the past year, and we are on track for an official launch of the Member app and wallet in May 2020. In keeping with our transparent engagement with shareholders, we will be providing regular updates to shareholders as we achieve further milestones over the balance of 2020 and beyond.

For those of you who aren't aware, the name A2A stands for Anyone to Anyone, Anywhere to Anywhere, Anything to Anything. Our Mission is to add value to everyone's life.

COVID-19 has had a significant impact on the community and will continue to do so for possibly many months to come. With the pandemic severely impacting on the availability of capital through financial markets, your Board made the difficult but necessary decision to implement a cost-optimisation program to ensure as much capital as possible was directed to the JomSave project. The decision to enact this program was not made lightly, however the board believes that this course of action is in the best interest of all stakeholders so we "live within our means".

However, a crisis such as COVID-19 also represents opportunity, and there is a significant upside potential to the Company by launching JomSave as soon as possible to allow consumers, merchants and digital partners the ability to transact and be rewarded for their online & offline purchases.

2020 will be an exciting and transformative year for your Company.

On behalf of the Board, we give our heartfelt thanks to our staff, suppliers and shareholders for their ongoing support, and look forward to welcoming you at our upcoming General Meeting on 24 April 2020.

Michael Loo	Vivian Yue
Chairman	CEO

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of a2a GN Ltd (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 31 December 2019.

Directors

The following persons were directors of a2a GN Ltd during the whole of the financial year and up to the date of this report, unless otherwise stated:

Saw Leng Yue
Tai Shoo Loo
Yee Mun Loo
Chih Chong
James Stephen Barrie

Principal activities

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

Dividends

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

Review of operations

The loss for the consolidated entity after providing for income tax amounted to $2,044,187 (31 December 2018: $961,503).

Refer to the message from the Chairman and CEO that comes directly before this directors' report.

Significant changes in the state of affairs

During the year, the company issued 12,846,215 fully paid ordinary shares raising $1,788,372 before costs of $345,382.

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

Matters subsequent to the end of the financial year

Subsequent to the end of the financial year, cash of $361,389 was received for an application for a placement of 16,700,000 new shares at $0.02164 per share to a sophisticated investor. No shares have been issued as at the date of this report as to do so would be in excess of the 15% placement capacity as per NSX Listing Rule 6.25. Approval for these shares will be sought at a General Meeting of the company to be held on 24 April 2020. The cash received for this share application is currently disclosed in current liabilities, which will be extinguished upon shareholder approval and issue of the shares post the upcoming General Meeting.

In addition, the holder of the convertible notes and the Company have resolved to the redemption of the convertible notes, with proceeds of the redemption totalling $397,799.45, comprising principal of $350,000, capitalised interest for the first 12-months of $42,000, plus interest accrued up to 19 March 2020 of $5,799.45. Simultaneously, the Company and the convertible note holder resolved that the redemption proceeds be reinvested into 18,382,599 shares in the Company at a rate of $0.02164 per share. No shares have been issued as at the date of this report as to do so would be in excess of the 15% placement capacity as per NSX Listing Rule 6.25. Approval for these shares will be sought at a General Meeting of the company to be held on 24 April 2020. Similarly, the convertible note is included in current liabilities, which will be extinguished upon shareholder approval and issue of the shares post the upcoming General Meeting.

COVID-19 has had a significant impact on access to capital via financial markets. To ensure the consolidated entity lives within its means and has sufficient capital to launch the company changing JomSave project, the board has undertaken an urgent review of expenditure across the business and has made the difficult but necessary decision to optimise cash expenditure and prioritise capital to the JomSave project. Actions have included deferral of low priority expenditures, exploring outsourcing, deferral of board fees and reduction of business operations in Australia and Indonesia to "care and maintenance" levels. The board continues to review further cost optimisation opportunities.

On 23 March 2020, the company issued 240,000 new shares to a new sophisticated investor, at an issue price of $0.145, raising $34,800 before costs.

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

Likely developments and expected results of operations

Information on likely developments in the operations of the consolidated entity and the expected results of operations have not been included in this report because the directors believe it would be likely to result in unreasonable prejudice to the consolidated entity.

Environmental regulation

The consolidated entity is not subject to any significant environmental regulation under Australian Commonwealth or State law.

Information on directors

Name:	Saw Leng Yue
Title:	Chief Executive Officer (appointed 29 September 2017)
Experience and expertise:	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.
Other current directorships:	Nil
Former directorships (last 3 years):	Nil
Special responsibilities:	Nil
Interests in shares:	49,618,880 fully paid ordinary shares

Name:	Tai Shoo Loo
Title:	Chairman (appointed 8 September 2017)
Experience and expertise:	Mr. Michael Loo 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.
Other current directorships:	Nil
Former directorships (last 3 years):	Nil
Special responsibilities:	Member of Audit and Risk Committee
Interests in shares:	22,225,496 fully paid ordinary shares, comprising 9,751,196 (direct) and 12,474,300 (indirect)

Name:	Yee Mun Loo
Title:	Executive Director (appointed 8 September 2017)
Experience and expertise:	Mr. Yee Mun Loo 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.
Other current directorships:	Nil
Former directorships (last 3 years):	Nil
Special responsibilities:	Nil
Interests in shares:	22,225,496 fully paid ordinary shares, comprising 12,474,300 (direct) and 9,751,196 (indirect)

Name:	Chih Chong
Title:	Non-Executive and Independent Director (appointed 29 September 2017)
Experience and expertise:	Ms. Kasey Chong 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.
Other current directorships:	Nil
Former directorships (last 3 years):	Nil
Special responsibilities:	Member of Audit and Risk Committee
Interests in shares:	100,000 fully paid ordinary shares

Name:	James Stephen Barrie
Title:	Non-Executive and Independent Director (appointed 1 September 2018)
Experience and expertise:	Mr James Barrie (GAICD, CPA (Australia), B. Business) has held a range of senior positions in ASX20, ASX100, microcap, private and start-up organisations across the resources, pharmaceuticals, retail and professional services industries. Mr Barrie is also the founder of Fernville Group, which provides professional advisory services to pre-IPO and small-cap listed companies seeking to list on Australian exchanges. Mr Barrie is a director of Malaysian-based Sayen Global Holdings Ltd. Mr Barrie is also director of Scipher Technologies Pty Ltd, Mambourin Enterprises Limited, and company secretary for several listed and unlisted Australian companies.
Other current directorships:	Nil
Former directorships (last 3 years):	Nil
Special responsibilities:	Chair of Audit and Risk Committee
Interests in shares:	300,000 fully paid ordinary shares

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

'Former directorships (last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

Company secretary
James Barrie is company secretary. Refer above for information on him.

Meetings of directors
The number of meetings of the company's Board of Directors ('the Board') and of each Board committee held during the year ended 31 December 2019, and the number of meetings attended by each director were:

	Full Board		Risk and Audit Committee	
	Attended	Held	Attended	Held
Saw Leng Yue	5	5	-	-
Tai Shoo Loo	5	5	2	2
Yee Mun Loo	5	5	-	-
Chih Chong	5	5	2	2
James Barrie	5	5	2	2

Held: represents the number of meetings held during the time the director held office or was a member of the relevant committee.

Remuneration report (audited)
The remuneration report details the key management personnel remuneration arrangements for the consolidated entity, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all directors.

The remuneration report is set out under the following main headings:
- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Service agreements
- Share-based compensation
- Additional information
- Additional disclosures relating to key management personnel

Principles used to determine the nature and amount of remuneration
The Board has structured a remuneration framework that is market competitive and complementary to the reward strategy of the consolidated entity and company.

The reward framework is designed to align rewards to shareholders' interests. The Board have considered that it should seek to enhance shareholders' interests by:
- focus on sustained growth in shareholder wealth through growth in share price, and delivering constant or increasing return on assets as well as focusing the directors on key non-financial drivers of value; and
- attracting and retains high calibre executives.

In accordance with best practice corporate governance, the structure of non-executive director and executive director remuneration is separate.

Non-executive directors' remuneration
Non-executive directors' fees are paid within an aggregate limit which is approved by the shareholders from time to time. Retirement payments, if any, are agreed to be determined in accordance with the rules set out in the Corporations Act at the time of the Directors retirement or termination. Non-Executive Directors' remuneration may include an incentive portion of bonuses and/or options as considered appropriate by the Board, which may be subject to shareholder approval.

The amount of aggregate remuneration sought to be approved by shareholders and the manner in which it is apportioned amongst directors is reviewed annually. The Board considers the amount of director fees being paid by comparable companies with similar responsibilities and the experience of the non-executive directors when undertaking the annual review process.

Executive remuneration
In determining the level and make up of executive remuneration, the Board negotiates a remuneration to reflect the market salary for a position and individual of comparable responsibility and experience. Due to the limited size of the Company and of its operations and financial affairs, the use of a separate remuneration committee is not considered appropriate. Remuneration is regularly compared with the external market by participation in industry surveys and during recruitment activities generally. If required, the Board may engage an external consultant to provide independent advice in the form of a written report detailing market levels of remuneration for comparable executive roles.

Use of remuneration consultants
The company has not made use of remuneration consultants during the current or prior financial years.

Voting and comments made at the company's 2018 Annual General Meeting ('AGM')
At the 2018 AGM held on 28 May 2019, 100% of the votes received supported the adoption of the remuneration report for the year ended 31 December 2018. The company did not receive any specific feedback at the AGM regarding its remuneration practices.

Details of remuneration

Amounts of remuneration
Details of the remuneration of key management personnel of the consolidated entity are set out in the following tables.

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	
2019	Cash salary and fees $	Other $	Non-monetary $	Super-annuation $	Long service leave $	Equity-settled $	Total $
Non-Executive Directors:							
Chih Chong	12,000	-	-	1,140	-	-	13,140
Tai Shoo Loo	57,302	-	-	-	-	-	57,302
James Stephen Barrie *	36,750	-	-	3,135	-	-	39,885
Executive Directors:							
Saw Leng Yue	62,511	-	-	8,187	-	-	70,698
Yee Mun Loo	41,674	-	-	-	-	-	41,674
	210,237	-	-	12,462	-	-	222,699

* Includes director fees of $33,000 plus company secretarial fees of $3,750.

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	
2018	Cash salary and fees $	Other $	Non-monetary $	Super-annuation $	Long service leave $	Equity-settled $	Total $
Non-Executive Directors:							
Chih Chong	9,982	-	-	475	-	-	10,457
Tai Shoo Loo	-	-	-	-	-	-	-
James Stephen Barrie	26,400	-	-	1,254	-	-	27,654
Executive Directors:							
Saw Leng Yue	80,912	-	-	18,560	-	-	99,472
Yee Mun Loo	3,316	-	-	-	-	-	3,316
	120,610	-	-	20,289	-	-	140,899

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

	Fixed remuneration		At risk - STI		At risk - LTI	
Name	2019	2018	2019	2018	2019	2018
Non-Executive Directors:						
Chih Chong	100%	100%	-	-	-	-
Tai Shoo Loo	100%	100%	-	-	-	-
James Stephen Barrie	100%	100%	-	-	-	-
Executive Directors:						
Saw Leng Yue	100%	100%	-	-	-	-
Yee Mun Loo	100%	100%	-	-	-	-

Service agreements
Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreements are as follows:

Name:	Saw Leng Yue
Title:	Chief Executive Officer
Term of agreement:	Annual fee of RM 180,000

Name:	Tai Shoo Loo
Title:	Chairman
Term of agreement:	Annual fee of RM 180,000

Name:	Yee Mun Loo
Title:	Executive Director
Term of agreement:	Annual fee of RM 120,000

Name:	Chih Chong
Title:	Non-Executive Director
Term of agreement:	Annual fee of AU$12,000

Name:	James Stephen Barrie
Title:	Non-Executive Director
Term of agreement:	Annual fee of AU$39,600

Key management personnel have no entitlement to termination payments in the event of removal for misconduct.

Share-based compensation

Issue of shares
There were no shares issued to directors and other key management personnel as part of compensation during the year ended 31 December 2019.

Options
There were no options over ordinary shares issued to directors and other key management personnel as part of compensation that were outstanding as at 31 December 2019.

There were no options over ordinary shares granted to or vested by directors and other key management personnel as part of compensation during the year ended 31 December 2019.

Additional information
The earnings of the consolidated entity for the three years to 31 December 2019 are summarised below:

	2019 $	2018 $	2017 $
Sales revenue	147,522	1,152,633	734,614
Loss after income tax	(2,044,187)	(961,503)	(176,254)

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

	2019	2018	2017
Basic earnings per share (cents per share)	(1.28)	(0.63)	(0.14)
Diluted earnings per share (cents per share)	(1.28)	(0.63)	(0.14)

Additional disclosures relating to key management personnel

Shareholding
The number of shares in the company held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Received as part of remuneration	Additions	Disposals/ other	Balance at the end of the year
Ordinary shares					
Saw Leng Yue	49,619,880	-	-	-	49,619,880
Yee Mun Loo	22,225,496	-	-	-	22,225,496
Tai Shoo Loo	22,225,496	-	-	-	22,225,496
Chih Chong	-	-	100,000	-	100,000
James Stephen Barrie	-	-	300,000	-	300,000
	94,070,872	-	400,000	-	94,470,872

This concludes the remuneration report, which has been audited.

Loans to directors and executives
There are no loans to directors and executives.

Shares under option
There were no unissued ordinary shares of a2a GN Ltd under option outstanding at the date of this report.

Shares issued on the exercise of options
There were no ordinary shares of a2a GN Ltd issued on the exercise of options during the year ended 31 December 2019 and up to the date of this report.

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

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

Indemnity and insurance of auditor
The company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

During the financial year, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

Proceedings on behalf of the company
No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

Non-audit services
There were no non-audit services provided during the financial year by the auditor.

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

Auditor
LNP Audit and Assurance resigned as auditor during the year, with ASIC consenting to their resignation. William Buck (VIC) Pty Ltd has consented to being appointed as auditor of the Company, subject to shareholder approval at the next annual general meeting of the Company in accordance with section 327 of the Corporations Act 2001.

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

On behalf of the directors

Tai Shoo Loo
Chairman

31 March 2020

William Buck

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

I declare that, to the best of my knowledge and belief during the year ended 31 December 2019 there have been:

— no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and

— no contraventions of any applicable code of professional conduct in relation to the review.

William Buck

William Buck Audit (Vic) Pty Ltd
ABN 59 116 151 136

J.C. Luckins
Director

Melbourne, 31 March 2020

ACCOUNTANTS & ADVISORS
Level 20, 181 William Street
Melbourne VIC 3000
Telephone: +61 3 9824 8555
williambuck.com

a2a GN Ltd
Statement of profit or loss and other comprehensive income
For the year ended 31 December 2019

	Note	Consolidated 2019 $	Consolidated 2018 $
Revenue	4	147,855	1,152,633
Other income	5	-	174,270
Interest revenue calculated using the effective interest method		23	3,137
Expenses			
Depreciation and amortisation expense		(209,785)	(64,570)
Cost of sales		(12,506)	(458,509)
Commissions and marketing expenses		(150,284)	(95,250)
Occupancy		(119,517)	(91,528)
Corporate and administration expenses		(404,386)	(606,052)
Professional fees		(492,561)	(401,912)
Employee benefit expenses		(633,666)	(520,490)
Write off of plant and equipment		(22,647)	-
Other expenses		(90,610)	(53,232)
Finance costs		(56,103)	-
Loss before income tax expense		(2,044,187)	(961,503)
Income tax expense	6	-	-
Loss after income tax expense for the year attributable to the owners of a2a GN Ltd		(2,044,187)	(961,503)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation		4,299	38,569
Other comprehensive income for the year, net of tax		4,299	38,569
Total comprehensive income for the year attributable to the owners of a2a GN Ltd		(2,039,888)	(922,934)
		Cents	**Cents**
Basic earnings per share	30	(1.28)	(0.63)
Diluted earnings per share	30	(1.28)	(0.63)

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

a2a GN Ltd
Statement of financial position
As at 31 December 2019

	Note	Consolidated 2019 $	Consolidated 2018 $
Assets			
Current assets			
Cash and cash equivalents	7	18,003	79,442
Trade and other receivables	8	126,458	63,700
Other	9	3,651	-
Total current assets		148,112	143,142
Non-current assets			
Plant and equipment	10	73,031	154,869
Right-of-use assets	11	173,863	-
Intangibles	12	180,627	-
Total non-current assets		427,521	154,869
Total assets		575,633	298,011
Liabilities			
Current liabilities			
Trade and other payables	13	444,670	211,359
Contract liabilities	14	1,083	-
Borrowings	15	528,004	66,667
Lease liabilities	16	143,032	-
Total current liabilities		1,116,789	278,026
Non-current liabilities			
Lease liabilities	17	35,757	-
Total non-current liabilities		35,757	-
Total liabilities		1,152,546	278,026
Net assets/(liabilities)		(576,913)	19,985
Equity			
Issued capital	18	2,341,470	898,480
Reserves	19	117,806	113,507
Accumulated losses		(3,036,189)	(992,002)
Total equity/(deficiency)		(576,913)	19,985

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

a2a GN Ltd
Statement of changes in equity
For the year ended 31 December 2019

Consolidated	Issued capital $	Foreign currency reserve $	Accumulated losses $	Total equity $
Balance at 1 January 2018	856,043	74,938	(30,499)	900,482
Loss after income tax expense for the year	-	-	(961,503)	(961,503)
Other comprehensive income for the year, net of tax	-	38,569	-	38,569
Total comprehensive income for the year	-	38,569	(961,503)	(922,934)
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction costs (note 18)	42,437	-	-	42,437
Balance at 31 December 2018	898,480	113,507	(992,002)	19,985

Consolidated	Issued capital $	Foreign currency reserve $	Accumulated losses $	Total deficiency in equity $
Balance at 1 January 2019	898,480	113,507	(992,002)	19,985
Loss after income tax expense for the year	-	-	(2,044,187)	(2,044,187)
Other comprehensive income for the year, net of tax	-	4,299	-	4,299
Total comprehensive income for the year	-	4,299	(2,044,187)	(2,039,888)
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction costs (note 18)	1,442,990	-	-	1,442,990
Balance at 31 December 2019	2,341,470	117,806	(3,036,189)	(576,913)

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

a2a GN Ltd
Statement of cash flows
For the year ended 31 December 2019

	Note	Consolidated 2019 $	Consolidated 2018 $
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		149,966	1,122,817
Payments to suppliers and employees (inclusive of GST)		(1,833,828)	(2,300,935)
		(1,683,862)	(1,178,118)
Interest received		23	3,137
Interest and other finance costs paid		(14,102)	-
Net cash used in operating activities	29	(1,697,941)	(1,174,981)
Cash flows from investing activities			
Payments for property, plant and equipment	10	(7,322)	(42,409)
Payments for intangibles	12	(180,627)	-
Net cash used in investing activities		(187,949)	(42,409)
Cash flows from financing activities			
Proceeds from issue of shares	18	1,823,171	42,437
Proceeds from borrowings		461,319	237,823
Share issue transaction costs		(345,381)	-
Repayment of lease liabilities		(138,346)	-
Net cash from financing activities		1,800,763	280,260
Net decrease in cash and cash equivalents		(85,127)	(937,130)
Cash and cash equivalents at the beginning of the financial year		79,442	978,003
Effects of exchange rate changes on cash and cash equivalents		23,688	38,569
Cash and cash equivalents at the end of the financial year	7	18,003	79,442

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

Note 1. Significant accounting policies

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

New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

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

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the consolidated entity.

The following Accounting Standards and Interpretations are most relevant to the consolidated entity:

AASB 16 Leases
The consolidated entity has adopted AASB 16 from 1 January 2019. The standard replaces AASB 117 'Leases' and for lessees eliminates the classifications of operating leases and finance leases. Except for short-term leases and leases of low-value assets, right-of-use assets and corresponding lease liabilities are recognised in the statement of financial position. Straight-line operating lease expense recognition is replaced with a depreciation charge for the right-of-use assets (included in operating costs) and an interest expense on the recognised lease liabilities (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. However, EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) results improve as the operating expense is now replaced by interest expense and depreciation in profit or loss. For classification within the statement of cash flows, the interest portion is disclosed in operating activities and the principal portion of the lease payments are separately disclosed in financing activities. For lessor accounting, the standard does not substantially change how a lessor accounts for leases.

The consolidated entity did not hold any leases at 31 December 2018, but has entered into a lease during the current year which has been accounted for applying AASB 16.

Going concern

The consolidated entity has incurred a net loss of $2,044,187 for the period ended 31 December 2019 (31 December 2018: $961,503) an cash outflows from operating activities of $1,697,941 (31 December 2018: $1,174,981). In addition the consolidated entity had a working capital deficiency of $968,677 at 31 December 2019 (31 December 2018 : $134,884). These conditions indicate a significant or material uncertainty about the consolidated entity’s ability to continue as a going concern.

The financial report has been prepared on a going concern basis which assumes the realisation of assets and the extinguishment of liabilities in the normal course of business at the amounts stated in the financial report, for the following reasons:

Note 1. Significant accounting policies (continued)

- Subsequent to the end of the financial year, cash of $361,389 was received for an application for a placement of 16,700,000 new shares at $0.02164 per share to a sophisticated investor. No shares have been issued as at the date of this report as to do so would be in excess of the 15% placement capacity as per NSX Listing Rule 6.25. Approval for these shares will be sought at a General Meeting of the company to be held on 24 April 2020. The cash received for this share application is currently disclosed in current liabilities, which will be extinguished upon shareholder approval and issue of the shares post the upcoming General Meeting;
- In addition, the holder of the convertible notes and the Company have resolved to the redemption of the convertible notes, with proceeds of the redemption totalling $397,799.45, comprising principal of $350,000, capitalised interest for the first 12-months of $42,000, plus interest accrued up to 19 March 2020 of $5,799.45. Simultaneously, the Company and the convertible note holder resolved that the redemption proceeds be reinvested into 18,382,599 shares in the Company at a rate of $0.02164 per share. No shares have been issued as at the date of this report as to do so would be in excess of the 15% placement capacity as per NSX Listing Rule 6.25. Approval for these shares will be sought at a General Meeting of the company to be held on 24 April 2020. Similarly, the convertible note is included in current liabilities, which will be extinguished upon shareholder approval and issue of the shares post the upcoming General Meeting;
- COVID-19 has had a significant impact on access to capital via financial markets. To ensure the consolidated entity lives within its means and has sufficient capital to launch the company changing JomSave project, the board has undertaken an urgent review of expenditure across the business and has made the difficult but necessary decision to optimise cash expenditure and prioritise capital to the JomSave project. Actions have included deferral of low priority expenditures, exploring outsourcing, deferral of board fees and reduction of business operations in Australia and Indonesia to "care and maintenance" levels. The board continues to review further cost optimisation opportunities;
- Whilst COVID-19 is having a significant impact on people and businesses, the Board also recognises the opportunity and benefit that JomSave will provide to consumers, merchants and digital partners, and in turn the incremental revenues that will accrue to A2A. With the JomSave app and wallet to launch in May 2020, the board is confident that material revenues will eventuate post this launch over coming months in Malaysia, and further revenues can be reasonably expected to accrue when the launch in Australia (Q1 2021) and Indonesia (Q2 2021) occur;
- 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 September 2020, and that the Guaranteeing Directors are in a position to make this guarantee; and
- On 23 March 2020, the company issued 240,000 new shares to a new sophisticated investor, at an issue price of $0.145, raising $34,800 before costs; and

For the above reasons the board considers that the consolidated entity remains a going concern and the financial report has been prepared on this basis. This financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be incurred should the consolidated entity not continue as a going concern.

Comparative information
During the year certain items have been reclassified to ensure accurate disclosure. Comparative information has been reclassified to be consistent with current year disclosures.

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

Historical cost convention
The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Note 1. Significant accounting policies (continued)

Critical accounting estimates
The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Parent entity information
In accordance with the Corporations Act 2001, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 26.

Principles of consolidation
The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of a2a GN Ltd ('company' or 'parent entity') as at 31 December 2019 and the results of all subsidiaries for the year then ended. a2a GN Ltd and its subsidiaries together are referred to in these financial statements as the 'consolidated entity'.

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

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

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

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

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

Foreign currency translation
The financial statements are presented in Australian dollars, which is a2a GN Ltd's functional and presentation currency.

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

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

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

Note 1. Significant accounting policies (continued)

Revenue recognition
The consolidated entity recognises revenue as follows:

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

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

Sale of goods
Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

Rendering of services
Revenue from a contract to provide services is recognised over time as the services are rendered.

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

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

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

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:
- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

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

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

Note 1. Significant accounting policies (continued)

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

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

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

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

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

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

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

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

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

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

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

Fixtures and fittings	5 years
Leasehold improvements	5 years
Office equipment	3-5 years

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

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

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

Note 1. Significant accounting policies (continued)

Right-of-use assets
A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the consolidated entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The consolidated entity has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

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

Research and development
Research costs are expensed in the period in which they are incurred. Development costs are capitalised when it is probable that the project will be a success considering its commercial and technical feasibility; the consolidated entity is able to use or sell the asset; the consolidated entity has sufficient resources and intent to complete the development; and its costs can be measured reliably. Capitalised development costs are amortised on a straight-line basis over the period of their expected benefit. The development expenditure has not been amortised in the current period because it was not yet ready for use.

Impairment of non-financial assets
Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

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

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

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

Borrowings
Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Note 1. Significant accounting policies (continued)

The component of the convertible notes that exhibits characteristics of a liability is recognised as a liability in the statement of financial position, net of transaction costs.

On the issue of the convertible notes the fair value of the liability component is determined using a market rate for an equivalent non-convertible bond and this amount is carried as a non-current liability on the amortised cost basis until extinguished on conversion or redemption. The increase in the liability due to the passage of time is recognised as a finance cost. The remainder of the proceeds are allocated to the conversion option that is recognised and included in shareholders equity as a convertible note reserve, net of transaction costs. The carrying amount of the conversion option is not remeasured in the subsequent years. The corresponding interest on convertible notes is expensed to profit or loss.

Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the consolidated entity's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Finance costs

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

Issued capital

Ordinary shares are classified as equity.

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

Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the owners of a2a GN Ltd, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share

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

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

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

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

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

Note 1. Significant accounting policies (continued)

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

New Accounting Standards and Interpretations not yet mandatory or early adopted
Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 31 December 2019. The consolidated entity has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

Note 2. Critical accounting judgements, estimates and assumptions

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

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

Impairment of non-financial assets other than goodwill and other indefinite life intangible assets
The consolidated entity assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the consolidated entity and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Income tax
The consolidated entity is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The consolidated entity recognises liabilities for anticipated tax audit issues based on the consolidated entity's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

Recovery of deferred tax assets
Deferred tax assets are recognised for deductible temporary differences and losses only if the consolidated entity considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax assets have not currently been recognised because their future utilisation is not probable.

Incremental borrowing rate
Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the consolidated entity estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

Note 3. Operating segments

Identification of reportable operating segments
The consolidated entity is organised into one operating segment, being the development of a data technology business platform to connect and add value for merchants and consumers in Malaysia. This operating segment is based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources.

Note 4. Revenue

	Consolidated	
	2019 $	2018 $
Revenue from contracts with customers		
Sales - consulting services	-	954,217
Sales - commissions	26,832	185,976
Sales - memberships	107,721	12,440
Sales - goods	12,969	-
	147,522	1,152,633
Other revenue		
Other revenue	333	-
Revenue	147,855	1,152,633

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

	Consolidated	
	2019 $	2018 $
Geographical regions		
Malaysia	147,522	1,152,633
Timing of revenue recognition		
Goods transferred at a point in time	12,969	-
Services transferred over time	134,553	1,152,633
	147,522	1,152,633

Note 5. Other income

	Consolidated	
	2019 $	2018 $
Net foreign exchange gain	-	3,113
Loan forgiveness	-	171,157
Other income	-	174,270

Note 6. Income tax expense

	Consolidated 2019 $	Consolidated 2018 $
Numerical reconciliation of income tax expense and tax at the statutory rate		
Loss before income tax expense	(2,044,187)	(961,503)
Tax at the statutory tax rate of 24%	(490,605)	(230,761)
Current year tax losses not recognised	490,605	230,761
Income tax expense	-	-

Note 7. Current assets - cash and cash equivalents

	Consolidated 2019 $	Consolidated 2018 $
Cash at bank and on hand	18,003	79,442

Note 8. Current assets - trade and other receivables

	Consolidated 2019 $	Consolidated 2018 $
Trade receivables	4,760	5,788
Other receivables	69,487	33,064
GST receivable	52,211	24,848
	126,458	63,700

Note 9. Current assets - other

	Consolidated 2019 $	Consolidated 2018 $
Prepayments	3,651	-

Note 10. Non-current assets - plant and equipment

	Consolidated 2019 $	2018 $
Leasehold improvements - at cost	-	94,270
Less: Accumulated depreciation	-	(53,884)
	-	40,386
Fixtures and fittings - at cost	25,266	24,798
Less: Accumulated depreciation	(17,148)	(11,870)
	8,118	12,928
Office equipment - at cost	213,257	205,496
Less: Accumulated depreciation	(148,344)	(103,941)
	64,913	101,555
	73,031	154,869

Reconciliations

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

Consolidated	Leasehold improvements $	Fixtures & fittings $	Office equipment $	Total $
Balance at 1 January 2018	66,474	7,242	107,739	181,455
Additions	-	7,323	30,661	37,984
Depreciation expense	(26,088)	(1,637)	(36,845)	(64,570)
Balance at 31 December 2018	40,386	12,928	101,555	154,869
Additions	798	-	6,524	7,322
Write off of assets	(22,647)	-	-	(22,647)
Depreciation expense	(18,537)	(4,810)	(43,166)	(66,513)
Balance at 31 December 2019	-	8,118	64,913	73,031

Note 11. Non-current assets - right-of-use assets

	Consolidated 2019 $	2018 $
Land and buildings - right-of-use	317,134	-
Less: Accumulated depreciation	(143,271)	-
	173,863	-

Note 11. Non-current assets - right-of-use assets (continued)

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

Consolidated	Land & buildings $	Total $
Balance at 1 January 2018	-	-
Balance at 31 December 2018	-	-
Additions	317,134	317,134
Depreciation expense	(143,271)	(143,271)
Balance at 31 December 2019	173,863	173,863

Note 12. Non-current assets - intangibles

	Consolidated	
	2019 $	**2018 $**
Development - at cost	180,627	-

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

Consolidated	Development $	Total $
Balance at 1 January 2018	-	-
Balance at 31 December 2018	-	-
Additions	180,627	180,627
Balance at 31 December 2019	180,627	180,627

Note 13. Current liabilities - trade and other payables

	Consolidated 2019 $	Consolidated 2018 $
Trade payables and accruals	162,012	119,545
Deposits	62,849	91,814
Proceeds of share issue received in advance of issue of shares *	34,800	-
Interest payable on convertible notes	42,000	-
Other payables	143,009	-
	444,670	211,359

Refer to note 21 for further information on financial instruments.

* shares in relation to this amount have been issued since 31 December 2019. Refer to note 28

Note 14. Current liabilities - contract liabilities

	Consolidated 2019 $	Consolidated 2018 $
Contract liabilities	1,083	-

Note 15. Current liabilities - borrowings

	Consolidated 2019 $	Consolidated 2018 $
Convertible notes	350,000	66,667
Loans from director - Saw Leng Yue	143,276	-
Loan from director - Tai Shoo Loo	34,728	-
	528,004	66,667

Refer to note 21 for further information on financial instruments.

The convertible notes were due for repayment in January and February 2020 and interest is payable at 12% per annum. This has been refinanced subsequent to 31 December 2019, refer to note 28.

The director loans from Saw Leng Yue are on 6 months terms which may be extended and attract zero interest.

The director loan from Tai Shoo Loo is due for repayment in monthly instalments of RM 10,000 (AU$3,473) starting in March 2020 with interest payable at 12% per annum.

Note 16. Current liabilities - lease liabilities

	Consolidated 2019 $	Consolidated 2018 $
Lease liability	143,032	-

Note 17. Non-current liabilities - lease liabilities

	Consolidated 2019 $	2018 $
Lease liability	35,757	-

Note 18. Equity - issued capital

	Consolidated 2019 Shares	2018 Shares	2019 $	2018 $
Ordinary shares - fully paid	166,764,726	153,918,511	2,341,470	898,480

Movements in ordinary share capital

Details	Date	Shares	Issue price	$
Balance	1 January 2018	153,532,648		856,043
Issue of shares	15 February 2018	55,000	$0.170	9,350
Issue of shares	18 December 2018	330,863	$0.100	33,087
Balance	31 December 2018	153,918,511		898,480
Issue of shares	16 May 2019	500,000	$0.140	70,000
Issue of shares	7 June 2019	4,950,000	$0.145	717,750
Issue of shares	1 July 2019	1,250,000	$0.145	181,250
Issue of shares	15 July 2019	1,800,000	$0.145	261,000
Issue of shares	15 July 2019	1,596,215	$0.100	159,622
Issue of shares	29 July 2019	850,000	$0.145	123,250
Issue of shares	4 September 2019	1,500,000	$0.145	217,500
Issue of shares	1 November 2019	400,000	$0.145	58,000
Less cost of capital raised		-	$0.000	(345,382)
Balance	31 December 2019	166,764,726		2,341,470

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

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

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

Capital risk management
The consolidated entity's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

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

In order to maintain or adjust the capital structure, the consolidated entity may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Note 18. Equity - issued capital (continued)

The consolidated entity would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current company's share price at the time of the investment. The consolidated entity is not actively pursuing additional investments in the short term as it continues to integrate and grow its existing businesses in order to maximise synergies.

The consolidated entity is subject to certain financing arrangements covenants and meeting these is given priority in all capital risk management decisions. There have been no events of default on the financing arrangements during the financial year.

The capital risk management policy remains unchanged from the 2018 Annual Report.

Note 19. Equity - reserves

	Consolidated	
	2019 $	2018 $
Foreign currency reserve	117,806	113,507

Foreign currency reserve
The reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to Australian dollars. It is also used to recognise gains and losses on hedges of the net investments in foreign operations.

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

Consolidated	Foreign currency $	Total $
Balance at 1 January 2018	74,938	74,938
Foreign currency translation	38,569	38,569
Balance at 31 December 2018	113,507	113,507
Foreign currency translation	4,299	4,299
Balance at 31 December 2019	117,806	117,806

Note 20. Equity - dividends

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

Note 21. Financial instruments

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

Note 21. Financial instruments (continued)

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

Market risk

Foreign currency risk
The consolidated entity is exposed to foreign currency risks in relation to the operations of its overseas subsidiaries.

The carrying amount of the consolidated entity's foreign currency denominated assets and financial liabilities at the reporting date were as follows:

	Assets		Liabilities	
	2019	2018	2019	2018
Consolidated	$	$	$	$
Malaysian ringgit	579,243	873,388	809,363	715,758

Consolidated - 2019	AUD strengthened % change	AUD strengthened Effect on profit before tax	AUD strengthened Effect on equity	AUD weakened % change	AUD weakened Effect on profit before tax	AUD weakened Effect on equity
Malaysian ringgit	10%	-	(23,012)	10%	-	23,012

Consolidated - 2018	AUD strengthened % change	AUD strengthened Effect on profit before tax	AUD strengthened Effect on equity	AUD weakened % change	AUD weakened Effect on profit before tax	AUD weakened Effect on equity
Malaysian ringgit	10%	-	15,763	10%	-	(15,763)

Price risk
The consolidated entity is not exposed to any significant price risk.

Interest rate risk
The consolidated entity is not exposed to significant interest rate risk as it borrowings have fixed interest rates.

Credit risk
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the consolidated entity. Given the consolidated entity's current levels of revenue it is not exposed to significant credit risk in relation to its revenues. The trade receivables balance was $4,760 at 31 December 2019 (2018: $5,788).

Liquidity risk
Liquidity risk management requires the consolidated entity to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The consolidated entity manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Note 21. Financial instruments (continued)

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

Consolidated - 2019	Weighted average interest rate %	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives						
Non-interest bearing						
Trade and other payables	-	444,670	-	-	-	444,670
Interest-bearing - fixed rate						
Convertible notes	12.00%	350,000	-	-	-	350,000
Loan from director	-	314,433	-	-	-	314,433
Loan from director	12.00%	34,738	-	-	-	34,738
Total non-derivatives		1,143,841	-	-	-	1,143,841

Consolidated - 2018	Weighted average interest rate %	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives						
Non-interest bearing						
Trade and other payables	-	211,359	-	-	-	211,359
Interest-bearing - fixed rate						
Convertible notes	12.00%	66,667	-	-	-	66,667
Loan from director	-	171,157	-	-	-	171,157
Total non-derivatives		449,183	-	-	-	449,183

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

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

Note 22. Key management personnel disclosures

Compensation
The aggregate compensation made to directors and other members of key management personnel of the consolidated entity is set out below:

	Consolidated 2019 $	Consolidated 2018 $
Short-term employee benefits	210,237	120,610
Post-employment benefits	12,462	20,289
	222,699	140,899

Note 23. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by the auditors of the company, its network firms:

	Consolidated	
	2019	2018
	$	$
Audit services		
Audit or review of the financial statements - William Buck	32,000	-
Audit or review of the financial statements - LNP Audit and Assurance	15,400	39,000
	47,400	39,000
Other services		
Preparation of Investigating Accountant Report - LNP Audit and Assurance	-	27,500

Note 24. Contingent liabilities

The consolidated entity had no contingent liabilities at 31 December 2019 and 31 December 2018

Note 25. Related party transactions

Parent entity
a2a GN Ltd is the parent entity.

Subsidiaries
Interests in subsidiaries are set out in note 27.

Key management personnel
Disclosures relating to key management personnel are set out in note 22 and the remuneration report included in the directors' report.

Transactions with related parties
The following transactions occurred with related parties:

	Consolidated	
	2019	2018
	$	$
Other income:		
Loan forgiven by director - Saw Leng Yue	-	171,157

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

	Consolidated	
	2019	2018
	$	$
Current payables:		
Trade payables to director	1,650	-

Note 25. Related party transactions (continued)

Loans to/from related parties
The following balances are outstanding at the reporting date in relation to loans with related parties:

	Consolidated	
	2019	**2018**
	$	**$**
Current borrowings:		
Loans from director - Saw Leng Yue	143,276	-
Loan from director - Tai Shoo Loo	34,728	-

The director loans from Saw Leng Yue are on 6 months terms which may be extended and attract zero interest.

The director loan from Tai Shoo Loo is due for repayment in monthly instalments of RM 10,000 (AU$3,473) starting in March 2020 with interest payable at 12% per annum.

Note 26. Parent entity information

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

Statement of profit or loss and other comprehensive income

	Parent	
	2019	**2018**
	$	**$**
Loss after income tax	(465,928)	(1,432,193)
Total comprehensive income	(465,928)	(1,432,193)

Statement of financial position

	Parent	
	2019	**2018**
	$	**$**
Total current assets	61,906	18,318
Total assets	825,751	18,318
Total current liabilities	514,340	617,306
Total liabilities	514,340	676,829
Equity		
Issued capital	2,341,470	898,479
Other reserves	-	7,143
Accumulated losses	(2,030,059)	(1,564,133)
Total equity/(deficiency)	311,411	(658,511)

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries
The parent entity had no guarantees in relation to the debts of its subsidiaries as at 31 December 2019 and 31 December 2018.

Contingent liabilities
The parent entity had no contingent liabilities as at 31 December 2019 and 31 December 2018.

Note 26. Parent entity information (continued)

Capital commitments - Property, plant and equipment
The parent entity had no capital commitments for property, plant and equipment as at 31 December 2019 and 31 December 2018.

Significant accounting policies
The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed in note 1, except for the following:
- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.
- Investments in associates are accounted for at cost, less any impairment, in the parent entity.

Note 27. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1:

Name	Principal place of business / Country of incorporation	Ownership interest 2019 %	Ownership interest 2018 %
A2A Global Network Holdings SDN BHD	Malaysia	100.00%	100.00%
A2A Global Network SDN BHD	Malaysia	100.00%	100.00%
Wellscelto Legacy SDN BHD	Malaysia	100.00%	100.00%
JS-Ecomm SDN BHD	Malaysia	100.00%	-

Note 28. Events after the reporting period

Subsequent to the end of the financial year, cash of $361,389 was received for an application for a placement of 16,700,000 new shares at $0.02164 per share to a sophisticated investor. No shares have been issued as at the date of this report as to do so would be in excess of the 15% placement capacity as per NSX Listing Rule 6.25. Approval for these shares will be sought at a General Meeting of the company to be held on 24 April 2020. The cash received for this share application is currently disclosed in current liabilities, which will be extinguished upon shareholder approval and issue of the shares post the upcoming General Meeting.

In addition, the holder of the convertible notes and the Company have resolved to the redemption of the convertible notes, with proceeds of the redemption totalling $397,799.45, comprising principal of $350,000, capitalised interest for the first 12-months of $42,000, plus interest accrued up to 19 March 2020 of $5,799.45. Simultaneously, the Company and the convertible note holder resolved that the redemption proceeds be reinvested into 18,382,599 shares in the Company at a rate of $0.02164 per share. No shares have been issued as at the date of this report as to do so would be in excess of the 15% placement capacity as per NSX Listing Rule 6.25. Approval for these shares will be sought at a General Meeting of the company to be held on 24 April 2020. Similarly, the convertible note is included in current liabilities, which will be extinguished upon shareholder approval and issue of the shares post the upcoming General Meeting.

COVID-19 has had a significant impact on access to capital via financial markets. To ensure the consolidated entity lives within its means and has sufficient capital to launch the company changing JomSave project, the board has undertaken an urgent review of expenditure across the business and has made the difficult but necessary decision to optimise cash expenditure and prioritise capital to the JomSave project. Actions have included deferral of low priority expenditures, exploring outsourcing, deferral of board fees and reduction of business operations in Australia and Indonesia to "care and maintenance" levels. The board continues to review further cost optimisation opportunities.

On 23 March 2020, the company issued 240,000 new shares to a new sophisticated investor, at an issue price of $0.145, raising $34,800 before costs.

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

Note 29. Reconciliation of loss after income tax to net cash used in operating activities

	Consolidated	
	2019	**2018**
	$	**$**
Loss after income tax expense for the year	(2,044,187)	(961,503)
Adjustments for:		
Depreciation and amortisation	209,785	64,570
Net loss on disposal of property, plant and equipment	-	4,152
Foreign exchange differences	-	273
Loan forgiveness	22,647	(171,157)
Change in operating assets and liabilities:		
Increase in trade and other receivables	(62,758)	(25,707)
Increase in prepayments	(3,651)	(4,109)
Increase/(decrease) in trade and other payables	179,140	(81,500)
Increase in other operating liabilities	1,083	-
Net cash used in operating activities	(1,697,941)	(1,174,981)

Note 30. Earnings per share

	Consolidated	
	2019	**2018**
	$	**$**
Loss after income tax attributable to the owners of a2a GN Ltd	(2,044,187)	(961,503)
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	160,133,293	153,592,665
Weighted average number of ordinary shares used in calculating diluted earnings per share	160,133,293	153,592,665
	Cents	**Cents**
Basic earnings per share	(1.28)	(0.63)
Diluted earnings per share	(1.28)	(0.63)

a2a GN Ltd
Directors' declaration
31 December 2019

In the directors' opinion:

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

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

- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2019 and of its performance for the financial year ended on that date; and

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

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

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

On behalf of the directors

Tai Shoo Loo
Chairman

31 March 2020

William Buck

A2A GN Ltd

Independent auditor's report to members

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of A2A GN Ltd (the Company) and its controlled entities (the Group), which comprises the consolidated statement of financial position as at 31 December 2019, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and the directors' declaration.

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

(i) giving a true and fair view of the Group's financial position as at 31 December 2019 and of its financial performance for the year ended on that date; and

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

Material Uncertainty Relating to Going Concern

We draw attention to Note 1 to the financial report, which describes that net loss of $2,044,187 for the year ended 31 December 2019, net cash outflows from operating activities of $1,697,941 and a working capital deficiency of $968,677 at 31 December 2019. These conditions, along with any other matters set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Other Matter

We were appointed as auditor to A2A GN Ltd on 26 February 2020 and our appointment is subject to shareholder approval at the next general meeting of the Company in accordance with section 327 of the Corporations Act 2001. The comparative results set out in this financial report were audited by another auditor. That auditor expressed an unmodified opinion on the financial report of the Company and the Group for the year ended 31 December 2018.

ACCOUNTANTS & ADVISORS

Level 20, 181 William Street
Melbourne VIC 3000

Telephone: +61 3 9824 8555

williambuck.com

Basis for Opinion

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

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

RELATED PARTY BALANCES & TRANSACTIONS	
Area of focus **Refer also to Remuneration report on pages 7 to 10 and Notes 1 & 24**	**How our audit addressed it**
The Company conducted material related party transactions with people and entities where key management personnel have interests and/or are directors. Three directors have jointly and severally given a personal guarantee to the Group capped at $1,000,000 with the effect that together theses 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 September 2020. Collectively, directors hold 94,470,872 of the issued capital which represents 57% of all issued capital in the Company. During the year, a loan was issued by a director for $143,276 to the Company. Given the significant level of transactions and balances with directors, there is a risk that not all related party balances and transactions are disclosed in the financial report or that related party transactions have been made on non-arm's length basis. This could result in insufficient information being provided in order to enable the reader to understand the nature and effect of the various related party relationships and transactions.	Our audit procedures included: — Assessment of the Company's controls to identify and disclose related party transactions and transactions in accordance with the relevant accounting standards and the *Corporations Act 2001*; — Comparing the list of related parties provided by the directors with internal sources; — Conducting an ASIC search for external directorships held by the Board members to evaluate whether all related party relationships and transactions had been appropriately identified and disclosed; and — Assessing whether related party transactions were conducted at arms-length by comparing the basis of the transactions to external sources. — Examining the agreements with directors in respect of loans and guarantees to determine whether they were accurately and fully disclosed in the financial report. — Receiving positive confirmations from each of the directors who have jointly and severally given a personal guarantees to the Group confirming their ability to support the obligations they have given. For each class of related party transaction, we compared the financial statement disclosures against the underlying transactions and the accounting and *Corporations Act 2001* requirements

Other Information
The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 31 December 2019, but does not include the financial report and the auditor's report thereon.

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

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

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

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

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

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

A further description of our responsibilities for the audit of these financial statements is located at the Auditing and Assurance Standards Board website at:

http://www.auasb.gov.au/auditors_responsibilities/ar1.pdf

This description forms part of our independent auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

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

In our opinion, the Remuneration Report of A2A GN Ltd, for the year ended 31 December 2019, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

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

William Buck

William Buck Audit (Vic) Pty Ltd
ABN: 59 116 151 136

J.C. Luckins
Director

Melbourne, 31st March, 2020

The shareholder information set out below was applicable as at 31 March 2020.

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

	Number of holders of convertible notes	Number of convertible notes held	Number of holders of ordinary shares	Number of shares held
1 to 1,000	1	7	-	-
1,001 to 5,000	-	-	-	-
5,001 to 10,000	-	-	114	757,164
10,001 to 100,000	-	-	128	3,732,639
100,001 and over	-	-	77	162,514,923
	1	7	319	167,004,726
Holding less than a marketable parcel	-	-	-	-

Equity security holders

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

	Ordinary shares Number held	% of total shares issued
SAW LENG YUE	49,619,800	29.71
YEE MUN LOO	12,474,300	7.47
TAI SHOO LOO	9,751,196	5.84
KIM HOON CHEE	8,245,050	4.94
MR KONG WAI PANG	7,191,971	4.31
IRENE MENG LIAN CHIN	7,000,000	4.19
MR ALVIN MENG LOONG CHIN	5,000,000	2.99
CNS CORPORATION SDN BHD	4,957,184	2.97
KWEI LAN NG	4,624,417	2.77
ENG HOON CHEE	3,747,750	2.24
POH HO LIM	3,747,750	2.24
CHIN SENG CHOY	3,081,200	1.84
KAY TIEN TANG	2,640,000	1.58
CHIN CHEE JIANG	2,410,833	1.44
MR SEE SIONG CHIN	2,303,613	1.38
SAW KIAN KHOR	1,800,000	1.08
SEED ACADEMY SDN BHD	1,753,334	1.05
CHAU MUN HONG	1,596,215	0.96
KEEN SHIAN CHOONG	1,499,100	0.90
LAI PENG HOW	1,499,100	0.90
	134,942,813	80.80

Unquoted equity securities
There are no unquoted equity securities.

a2a GN Ltd
Shareholder information
31 December 2019

Substantial holders
Substantial holders in the company are set out below:

	Ordinary shares	
	Number held	% of total shares issued
SAW LENG YUE	49,619,880	29.71
YEE MUN LOO (*)	12,474,300	7.47
TAI SHOO LOO (*)	9,751,196	5.84

(*) YEE MUN LOO and TAI SHOO LOO are related parties, hence their collective number of securities (22,225,496) constitutes a Substantial Holding.

Voting rights
The voting rights attached to equity securities are set out below:

Ordinary shares
Holders of ordinary shares have the right to vote at every general meeting of the Company and at separate meetings of holders of ordinary shares. At a general or separate meeting, every holder of ordinary shares present in-person or by proxy has, on poll, one vote for each ordinary share held.

Convertible notes
Holders of convertible notes have no voting rights

There are no other classes of equity securities.