iCar Asia Limited

ACN 157 710 846

Appendix 4E

RESULTS FOR ANNOUNCEMENT TO THE MARKET

For the year ended 31 December 2014

12 months ended	Dec-14 $000	Dec-13 $000	Change
Revenues from ordinary operations	2,814	1,446	95%
Loss from ordinary activities after tax attributable to members	(16,700)	(6,902)	(142%)
Loss after tax attributable to members	(16,700)	(6,902)	(142%)
	Cents	Cents	
Loss per Share (basic & diluted)	(8.64)	(4.10)	(111%)
NTA per Share	5.34	5.94	(10%)

Dividends

No dividends have been paid or declared in 2014 (2013: nil). There is no dividend reinvestment plan in operation.

Basis of this report

This report includes the attached audited financial statements of iCar Asia Limited and its controlled entities for the period ended 31 December 2014. Together these documents contain all the information required by Appendix 4E of the Australian Securities Exchange Listing Rules. It should be read in conjunction with iCar Asia Limited's Annual Report when released and is lodged with the Australian Securities Exchange under listing rule 4.3A.

For and on behalf of the Board

Patrick Grove
Chairman
25th February 2015

iCar Asia Limited and Controlled Entities

ACN 157 710 846

Annual Report for the financial year ending 31 December 2014

Annual Report Year Ending 31 December 2014

ICAR ASIA LIMITED (ICQ) / ACN 157 710 846

The directors present their report, together with the consolidated financial statements, of iCar Asia Limited and Controlled Entities (referred to hereafter as the 'Group') for the year ended 31 December 2014.

Directors

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

Patrick Grove (Non-Executive Chairman)
Lucas Elliott (Non-Executive Director)
Shaun Di Gregorio (Non-Executive Director)
Mark Britt (Non-Executive Director)
Cameron McIntyre (Non-Executive Director)
Ajay Bhatia (Non-Executive Director) Appointed 21 November 2014

Name:	Patrick Grove
Title:	Non-independent, non-executive director and Chairman
Qualifications:	Bachelor of Commerce degree with a major in Accounting and Finance from the University of Sydney.
Experience and expertise:	Experience and expertise: Board member and Chairman since June 2012. Mr Grove is a co-founder of the Group. Mr Grove's experience and expertise include mergers and acquisitions and extraction of investment value in high growth, media and technology environments. Mr Grove has built a number of significant media and internet businesses across Asia and has taken four businesses from start up to initial public offering. He has been recognised with numerous international awards, including Global Leader of Tomorrow by the World Economic Forum (2001), New Asian Leader by the World Economic Forum (2003), Entrepreneur of the Year by the Australian Chamber of Commerce (2004), Business Week Asia's Top Entrepreneur under 40 (2008), one of Asia's Best young Entrepreneurs by Bloomberg Businessweek (2008), and Top 50 Global Achiever (2013) by Australia Unlimited. Mr Grove holds a Bachelor of Commerce degree with majors in Accounting and Finance from the University of Sydney. Mr Grove is the Chief Executive Officer, Chairman and major shareholder of Catcha Group, one of South East Asia's most dynamic investment groups. Mr Grove is also the Chairman of iProperty Group Limited, and Ensogo Limited, both ASX-listed companies, and a director of Rev Asia Berhad, a Malaysia-listed company.
Other current directorships:	iProperty Group Limited, Ensogo Limited, Rev Asia Berhad
Former directorships (in the last 3 years):	None
Special responsibilities:	None
Interests in shares:	70,430,300
Interests in options:	None

Name:	Lucas Elliott
Title:	Non-independent, non-executive director
Qualifications:	Bachelor of Commerce degree with a major in Finance from the University of Sydney.
Experience and expertise:	Board member since April 2012. Mr Elliott is a co-founder of the Group. He has over 15 years of Asian online experience, with a focus on developing fast moving online business models and monetising online assets. Mr Elliott is also a co-founder of Catcha Group, where he is responsible for all aspects of Catcha Group's corporate finance activities, including mergers and acquisitions, capital raisings and public listings. Mr Elliott has a Bachelor of Commerce degree with a major in Finance from the University of Sydney. Mr Elliott is a director of iProperty Group Limited and Ensogo Limited, both ASX listed companies, and Rev Asia Berhad, a Malaysia-listed company.
Other current directorships:	iProperty Group Limited, Ensogo Limited, Rev Asia Berhad
Former directorships (in the last 3 years):	None
Special responsibilities:	Member of the Remuneration & Nomination Committee and member of the Audit & Risk Committee
Interests in shares:	70,430,300
Interests in options:	None

Name:	Shaun Di Gregorio
Title:	Non-independent, non-executive director
Qualifications:	Master in Business Administration from the Australian Graduate School of Management (University of New South Wales) and is a member of the Australian Institute of Company Directors.
Experience and expertise:	Board member since July 2012. Mr Di Gregorio has worked in online classifieds for nearly 15 years. He is currently the CEO and Founder of Frontier Digital Ventures, a company that specialises in investing in and operating online classifieds businesses in frontier markets across the globe. Until May of 2014 he was the Chief Executive Officer of iProperty and prior to joining iProperty, Mr Di Gregorio spent almost 8 years with the ASX listed REA Group Limited, in which time he was General Manager of Australian operations from 2005 to 2008, and then as General Manager of the REA Group Limited's international businesses. Mr Di Gregorio has also held senior roles at Trader.com and the interactive division of TMP Worldwide.
Other current directorships:	None
Former directorships (in the last 3 years):	None
Special responsibilities:	Chairman of the Remuneration & Nomination Committee and member of the Audit & Risk Committee
Interests in shares:	782,800
Interests in options:	None

Name:	Mark Britt
Title:	Non-independent, non-executive director
Qualifications:	Diploma in Law from LPAB
Experience and expertise:	Board member since July 2012. Mr Britt is the Chief Executive Officer and co-founder of iflix, an Asian provider of on-demand internet streaming entertainment. Prior of this Mr Britt was the Chief Executive Officer of the Mi9 group of companies which include businesses across Australia and New Zealand such as ninemsn, The Daily Mail Australia, Bing, Outlook.com and MSN NZ. Mr Britt has significant executive and commercial experience in the online, advertising and consumer technology fields in Australia, Europe and the Asia Pacific. Prior to joining Mi9, Mr Britt spent four years with Microsoft, based in Singapore as General Manager for Consumer and Online. Mr Britt was also previously the Director of Corporate Strategy and Chief Financial Officer of ninemsn, and has worked at Pricewaterhouse Coopers, NASDAQ-listed ISP, People PC and Vizzavi in the United Kingdom.
Other current directorships:	None
Former directorships (in the last 3 years):	None
Special responsibilities:	Member of the Remuneration & Nomination Committee and chairman of the Audit & Risk Committee
Interests in shares:	566,134
Interests in options:	None

Name:	Cameron McIntyre
Title:	Non-independent, non-executive director
Qualifications:	Bachelor of Economics from La Trobe University, Certified Practising Accountant (CPA), Graduate of Harvard Business School General Management Program
Experience and expertise:	Mr McIntyre has been the Chief Operating Officer and the Chief Financial Officer of carsales.com Limited since 2007 and was previously the Finance Director at Sensis. He has over 18 years of finance and administration experience. Cameron brings a wealth of knowledge and insight into operating leading automotive portals as well as assisting the Group in leveraging its strategic partnership with carsales.com and the talent and resources that come with it.
Other current directorships:	None
Former directorships (in the last 3 years):	None
Special responsibilities:	Member of the Remuneration & Nomination Committee and Chairman of the Audit & Risk Committee
Interests in shares:	None
Interests in options:	None

Name:	Ajay Bhatia
Title:	Non-independent, non-executive director
Qualifications:	Bachelor of Engineering (Telecommunications) from University of Technology, Sydney, Masters of Management from University of Technology, Sydney
Experience and expertise:	Mr Bhatia is currently the Chief Product & Information Officer of carsales.com Limited. He started at Carsales in 2008. Prior to Carsales, Mr Bhatia was a Product & Technology Director at Fairfax Digital. During his tenure at FD, he held commercial and leadership positions including GM of Country Cars, Product Director of Classifieds (Domain, Drive & MyCareer) and Product Technology Director of Drive. During his tenure at Drive.com.au, Ajay was also responsible for championing display revenue for the automotive brand. Mr Bhatia brings valuable insights to the Group board by leveraging his experience in Technology and in running of Online classified businesses.
Other current directorships:	None
Former directorships (in the last 3 years):	
Special responsibilities:	
Interests in shares:	None
Interests in options:	None

Company Secretary

Nick Geddes has been the Company Secretary of the Group since April 2012. Mr Geddes is the principal of Australian Company Secretaries Pty Ltd, a company secretarial practice that he formed in 1993. Mr Geddes is a past President of Chartered Secretaries Australia (now Governance Institute of Australia). His previous experience, as a Chartered Accountant and Company Secretary, includes investment banking and development and venture capital in Europe, Africa, the Middle East and Asia.

Dividends

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

Principal activities

The principal activities of the Group during the financial year were the development and operation of internet-based automotive portals and the advertising, publication and distribution of automotive magazines in South East Asia.

Group Overview

The loss for the Group after providing for income tax amounted to $16,699,930 (2013: $6,901,778).

At the beginning of 2014 the clear objective was to grow our market share and to finish the year as the clear number one automotive classified site in our three countries of operation – Malaysia, Indonesia and Thailand. Through strong operational execution the core operating metrics have shown substantial growth, particularly audience and leads. Coupled with the acquisition of Thailand's number one automotive classified site, one2car.com, we have closed 2014 with every objective achieved.

Our 2014 revenue grew by 95% year on year while costs grew by 92%. We continued to invest in marketing to drive market leadership for our core metrics of audience and leads and our people. The loss at EBITDA was ($13,191,344) with a closing cash and cash equivalent of $15,361,635.

There were a series of one off costs during 2014 which resulted in a total loss after income tax expense for the year of ($16,699,930) which included:

- $167,000 of professional fees as a result of the One2car transaction.
- An impairment charge of $3,040,688 in relation to our Indonesian assets due to the early stage of the market, it will take longer than originally thought to reach monetisation phase with our local website Mobil123.com. However with the strong engagement we have seen with our customers in 2014, we feel confident that the Indonesian business will ultimately be very successful and profitable.
- $304,000 of additional depreciation in relation to our EVO Licence in Malaysia as its useful life was re-measured to be in line with its initial expiry date.

The investment during 2014 ensured iCar Asia firmly established itself as the largest online automotive business in ASEAN with a clear number one positions in each of the three largest automotive markets. On a group level, core metrics demonstrated strong growth throughout the year:

- **Listings:** Finished the year with 527,784 cars listed for sale, 14% growth on December 2013.

- **Audience:** December 2014 attracted 6,101,874 car buyers to an iCar website, 33% growth from 12 months earlier.

- **Leads:** 264,928 people sent a lead to a seller during the month of December 2014 across Malaysia and Indonesia, 48% growth from 12 months earlier. (Thailand is not reported due to lead tracking only being implemented post acquisition of one2car.com. First lead volumes will be available from January 2015.)

One of the Group's key competitive advantages is how fast we execute our strategy, for this we must invest in building strong organisational capability which is why almost 50% of our expenses relate to our People. We have strong industry knowledge and capability at a Group level to build market-leading and changing products, such as our Response Management System. We have also developed strong local country leadership, ensuring products are built with local culture wants and needs which drives strong product penetration and engagement.

During 2014, carsales.com Limited increased their interest in iCar Asia by a further 3% on 5 March acquiring a further 7,179,240 shares at $1.00. This represents a strong endorsement from one of the world's leading online automotive classified businesses.

In December, the Group successfully completed the 'game changing' acquisition of Thailand's number one online automotive classified site, one2car.com. To fund the acquisition iCar Asia raised $21,000,000 with proceeds above those required for the acquisition providing additional working capital.

Malaysia

Our Malaysia site, Carlist.my had a strong year, achieving many key milestones as it significantly grew its market leading position. Highlights include:

- Listings growth of 14%, finishing the year with 171,649 double on nearest competitor.
- Audience was 11% higher with 1,326,419 people visiting the site in December.
- Leads demonstrated tremendous year on year growth of 50% resulting in 168,910 people sending leads to sellers during the month of December.
- We began our monetisation program: charging car Dealers to upgrade to 'Feature Listings'. Carlist started year with 0 paying Dealers and finished the year with 1,531 Dealers paying to upgrade their listings.
- We introduced our first depth product, 'the bump' which pushes an individual listing to the top of the search results. The first month (January 2014) saw 12,063 bumps. By year end 94,948 listings were bumped in December alone.
- We launched our market-leading technology - Response Management System ('RMS'), helping dealers to manage their inventory and leads from both mobile and desktop devices. We saw strong adoption and by year end 1,581 unique dealers were logging into the system performing a minimum of one action. This resulted in over 80% of all inventory being self-uploaded during the month of December.

Malaysia is well placed to further increase Carlist.my's strong leadership position and extract greater revenue growth.

Indonesia

Our Indonesia site, Mobil123.com has continued to concentrate on leading the Greater Jakarta/Western Java region to great success. The strategy of remaining focussed on that geographic region has resulted in a 3% increase to 205,589 cars listed for sale, the growth in critical key operating metrics has been very robust. The key highlights for the year were:

- Audience growth of 47% resulting in 1,539,351 car buyers visiting the site during the month of December.
- 96,018 people sent a lead to a seller during the month of December, growth of 45% year on year.
- We launched our market-leading Response Management System in December with more than 1,321 Dealers logging into the system and applying a minimum of one action during the launch month of December.
- 'Version 2.0' of mobil123.com accommodating new car show room and editorial content on both desktop and mobile went live during the December quarter. It is designed to create further new car market opportunities.

With a strong leadership position established and market-leading products being adopted rapidly, mobil123.com is focussed on leading the digital education of the automotive market. As the industry matures in the longer-term, mobil123.com will be in the leading position to benefit financially.

Thailand

Acquiring Thailand's number 2 classified website, thaicar.com in March 2013 was a strategic decision to apply pressure on market-leading one2car.com and force a position for iCar to acquire it. The strategy worked successfully with the acquisition of Thailand's number 1 automotive classified site completed during December 2014.

Strong key operating metrics and business momentum puts Thailand in a strong position with key highlights for 2014:

- Clear listings leadership with Thaicar listing 116,664 cars for sale, more than any other website.
- One2car.com attracting more than 1,337,053 car buyers during the month of December, 90% come from un-paid sources, a very powerful market-leading position.
- iCar Asia's leading automotive content site for motoring enthusiasts autospinn.com had 1,155,848 people visit the site in December 2014 to read automotive articles. It has firmly established itself as the first choice for manufacturers in Thailand when looking to advertise online.

iCar Asia now owns the two largest automotive sites in Thailand, ASEAN's largest automotive advertising market. This strong leadership position has iCar Asia well placed to be the major benefactor of the online advertising migration in years to come.

The iCar Asia Team

We had 344 full-time employees at the conclusion of 2014 across Malaysia, Thailand and Indonesia after the completion of one2car.com.

We strive for a culture of high-performance and operating at a dynamic 'start-up' pace. To facilitate this high-performance culture, every employee has quarterly performance reviews with quarterly KPIs linked to the business objectives to ensure the successful execution of our business plan.

Our people are our real strength - the reason why our execution produced strong results during 2014. We have the biggest sites in the biggest car markets in ASEAN. We have launched and continue to build market-leading products, unique to iCar Asia. But it is the team of dedicated people who work at iCar that make it all possible, galvanised by the purpose of improving and changing the way people buy and sell cars across ASEAN. It is this passion and enthusiasm we search for in all new employees as we strive to build the largest and most trusted automotive marketplace in ASEAN.

Significant changes in the state of affairs

During the year the Group acquired One2Car Co. Ltd, owner of Thailand's largest automotive classifieds site, One2car.com. The acquisition was funded by a placement of new fully paid ordinary shares to investors at an issue price of $1.10 per new share. The placement was completed on 12 November 2014 and the completion of acquisition was on 11 December 2014.

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

Matters subsequent to the reporting date

On 22 January 2015 the Group announced and performed a restructure of its operations in Thailand in light of the purchase of One2Car.com. The restructure resulted in a number of employees leaving the business. The restructure will have an adverse impact on the 2015 Financial Year profit and loss of circa $300,000. The restructure removed duplicated functions and Management believe this provides the Thai operations with an appropriate cost base to enhance shareholder value in the long-term.

No other matter or circumstance has arisen since 31 December 2014 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Likely developments and expected results of operations

In 2015 all our markets will have our market-leading Response Management System released. The aim to establish strong usage within the dealership market so that it becomes an essential tool for running a successful dealership.

Following the December launch of Version 2.0 of Mobil123.com in Indonesia, accommodating new car show room and editorial content on both desktop and mobile sites, we plan to release similar market versions in both Malaysia and Thailand during 2015. Version 2.0 provides a one-stop destination for both new and used vehicles creating further new car market opportunities across the ASEAN region.

With market-leadership established in Malaysia and Thailand and the monetisation of car dealers well underway, our primary focus will be increasing the rate of revenue growth in 2015.

Environmental regulation

The Group takes a responsible approach in relation to the management of environmental matters. All significant environmental risks have been reviewed and the Group has no legal obligation to take corrective action in respect of any environmental matter. The Group's operations are not subject to significant environmental regulations.

Indemnity and insurance of officers

The Group has indemnified all current and previous directors of the Group, the company secretary and certain members of senior management against all liabilities or loss (other than to the Group or a related body corporate) that may arise from their position as officers of the Group, except where the liabilities arise out of conduct involving a lack of good faith or where indemnification is otherwise not permitted under the Corporations Act. The indemnity stipulates that the Group will meet the full amount of any such liabilities, including costs and expenses, and covers a period of seven years after ceasing to be an officer of the Group.

The Group has executed deeds of indemnity with each of the non-executive directors.

Indemnity of auditors

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

Meetings of directors

The number of meetings of the company's Board of Directors ('the Board') and of each board committee held during the year ended 31 December 2014, and the number of meetings attended by each director were:

	Full Board		Board Audit & Risk Committee		Remuneration & Nomination Committee	
	Attended	Held	Attended	Held	Attended	Held
Patrick Grove	14	14	-	-	-	-
Lucas Elliott	14	14	4	5	2	2
Shaun Di Gregorio	12	14	3	5	2	2
Mark Britt	14	14	5	5	2	2
Cameron McIntyre	12	14	5	5	2	2
Ajay Bhatia	2	2	-	-	-	-

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

Auditor Independence non-audit services

Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in note 23 to the financial statements.

The Directors are satisfied that the provision of non-audit services during the financial year, by the auditor (or by another person or firm on the auditor's behalf), is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The Directors are of the opinion that the services as disclosed in note 23 to the financial statements do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor, and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the company, acting as advocate for the company or jointly sharing economic risks and rewards.

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

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

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 19.

Auditor

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

Remuneration report (audited)

The remuneration report, which has been audited, outlines the key management personnel remuneration arrangements for the Group, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

The remuneration report is set out under the following main headings:

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

A Principles used to determine the nature and amount of remuneration

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

- Monitor, review and recommend to the Board, as necessary and appropriate:
  - the remuneration, superannuation and incentive policies and arrangements for the Chief Executive Officer and key management personnel (i.e. those executives who report directly to the Chief Executive Officer);
  - the remuneration arrangements for Non-Executive Directors on the Boards;
  - the recruitment, retention and termination policies and procedures for the Chief Executive Officer and key management personnel; and
  - key appointments and executive succession planning.

- Oversee the Group's general remuneration strategy;

- Review the composition of the Board including:
  - the criteria for selection of directors, having regard to the need for the breadth and depth of skills and experience on the Board; and
  - the process for selecting new directors.

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

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

Advisers

External specialist remuneration advice is sought on an as-needs basis in respect of remuneration arrangements for Non-Executive Directors of the Board and key management personnel of the Group. General reward advice is sought on an ad hoc basis. No external advisors were used during the current or prior years.

Reward policy

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

Reward philosophy

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

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

In accordance with the ASXCGPR, the structure of Non-Executive Directors and key management personnel remuneration is separate and distinct.

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

Non-executive directors remuneration

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

Fees are established from time to time for the Chairman and Non-Executive Directors. The appointment letters for the Non-Executive Directors set out the terms and conditions of their appointments. These terms and conditions are in conjunction with, and subject to, the Company's Constitution and the charters and policies approved by the Board from time to time. Each Non-Executive Director receives a fee for being a Director of the Company. These fees are paid by the issue of iCar Asia Limited shares.

There were no share options granted to directors during or since the end of the financial period.

Executive remuneration

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

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

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

The remuneration structure is in two parts:

- Fixed remuneration; and
- Variable remuneration

<u>Fixed remuneration</u>

The level of fixed remuneration is set so as to provide a base level of remuneration that is both appropriate to the position and is competitive in the market. Fixed remuneration comprises of payroll salary and other benefits. Individuals, however, may choose to sacrifice part of their salary to increase payments towards other benefits.

<u>Variable Remuneration</u>

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

Short term incentive plan (STI)

Short-term incentives are used to reward staff based on performance on a year by year basis. Rewards are made to participating key employee depending on the extent to which specific targets set at the beginning of the period are met. The targets relate to the earnings of the company and achievement of other KPIs aligned to the individual's specific business function. The percentage and threshold level can differ for each individual and are reviewed each year. Payments are made in the form of cash and shares. Shares are issued at the VWAP for the year. Benefits are pro-rated where employees join during an STI year. It is intended that key employees of the Group will be eligible to participate in the STI program.

Long term incentive plan (LTI)

The Group has established a long term incentive plan (referred to hereafter as the 'Plan'). The Plan is part of the Group's remuneration strategy and is designed to align the interests of management and shareholders and assist the Group in the attraction, motivation and retention of executives. In particular, the Plan is designed to provide relevant executives with an incentive for future performance and encouraging those executives to remain with the Group. LTI payments are made to participating key employee depending on the extent to which specific targets set at the beginning of the plan are met. The targets relate to the earnings of the company, achievement of other KPIs aligned to the individual's specific business function and staff remaining in employment. Payments are made in the form of shares in the Group that are issued 2 years and 3 months after the end of the year to which they refer. The shares are issued at a VWAP for the period that the KPIs are set. For example: for the 2014 reporting period, the plan is payable in March 2017 based on the VWAP during the 2014 year. Benefits are pro-rated where employees join during a Plan year. It is intended at this stage that only key executives of the Group will be eligible to participate in the Plan. No shares have yet been issued under the Plan.

Voting and comments made at the company's 2014 Annual General Meeting ('AGM')

The company received in excess of 75% of 'for' votes in relation to its remuneration report for the year ended 31 December 2014. The company did not receive any specific comments at the AGM in regard to its remuneration practices and report.

B Details of remuneration

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

The key management personnel of the Group consisted of the following directors of the Group:

- Patrick Grove
- Lucas Elliott
- Mark Britt
- Shaun Di Gregorio
- Cameron McIntyre
- Ajay Bhatia

And the following persons:

- Damon Rielly
- Joe Dische
- Joey Caisse

2014	**Short-term benefits**			**Share-based payments**		**Total**	**Performance Related**
Name	**Cash salary and fees**	**Other**	**Non-monetary**	**LTI Shares & units**	**Remuneration/STI Shares & units[2]**		**%**
	$	**$**	**$**	**$**	**$**	**$**	
Non-Executive Directors:							
P Grove[4]	-	-	-	-	60,000	60,000	0%
L Elliott[4]	-	-	-	-	48,000	48,000	0%
S Di Gregorio	-	-	-	-	48,000	48,000	0%
M Britt	-	-	-	-	48,000	48,000	0%
C McIntyre[5]	-	-	-	-	48,000	48,000	0%
A Bhatia[1,5]	-	-	-	-	8,000	8,000	0%
Other Key Management Personnel:							
D Rielly	280,000	96,594	-	54,502	294,753	725,849	48%
J Dische[3]	129,603	21,386	-	13,417	53,667	218,073	31%
J Caisse	230,000	66,587	-	75,213	173,142	544,942	46%
	639,603	**184,567**	**-**	**143,132**	**781,562**	**1,748,864**	

[1] Appointed 21 November 2014
[2] Shares to be issued to directors in lieu of fees are to be ratified at the upcoming annual general meeting.
[3] Appointed 9 June 2014
[4] Shares allocated to the Director will be issued to Catcha Media Pte Ltd.
[5] Shares allocated to the Director will be issued to carsales.com Limited.

There were no termination benefits, long term benefits or post-employment/superannuation benefits in the current or prior year, hence the categories have been excluded from the tables above and below.

No material contracts involving Directors' interests were entered into since the end of the previous financial year, or existed at the end of the year, other than those transactions detailed in related parties note to the financial statements.

2013	Short-term benefits			Share-based payments		Total	Performance Related
Name	Cash salary and fees	Other	Non-monetary	LTI Shares & units	Remuneration/STI Shares & units		%
	$	$	$	$	$	$	
Non-Executive Directors:							
P Grove	-	-	-	-	60,000	60,000	0%
L Elliott	-	-	-	-	48,000	48,000	0%
S Di Gregorio	-	-	-	-	48,000	48,000	0%
M Britt	-	-	-	-	48,000	48,000	0%
C McIntyre[1]	-	-	-	-	32,000	32,000	0%
N Geddes[2]	-	-	-	-	20,000	20,000	0%
Other Key Management Personnel:							
D Rielly	250,000	73,926	-	50,000	187,500	561,426	42%
R Brandenburg[3]	224,234	40,714	-	-	59,800	324,748	18%
J Caisse	215,000	61,233	-	69,000	107,200	452,433	39%
	689,234	**175,873**	**-**	**119,000**	**610,500**	**1,594,607**	

[1] Appointed 26 April 2013
[2] Resigned 5 June 2013
[3] Resigned 27 August 2013

Shareholdings of KMP[1]
Shares held in iCar Asia Limited

31 December 2014	Balance at the beginning of the period 1 January 2014	Granted as remuneration	Net change Other[2]	Balance at the end of the period 31 December 2014
Non-Executive Directors:				
P Grove[3,4]	70,265,265	91,686	73,349	70,430,300
L Elliott[3,4]	70,265,265	73,349	91,686	70,430,300
S Di Gregorio	709,451	73,349	-	782,800
M Britt	492,785	73,349	-	566,134
C McIntyre[5]	-	54,258	(54,258)	-
A Bhatia	-	-	-	-
Other Key Management Personnel:				
D Rielly	713,606	348,308	-	1,061,914
J Dische	-	-	-	-
J Caisse	586,425	195,245	(306,091)	475,579

[1] Includes shares held directly, indirectly and beneficially by KMP.
[2] All equity transactions with KMP other than those arising from remuneration by the Group have been entered into under terms and conditions no more favourable than those the Group would have adopted if dealing at arm's length.

[3] P Grove and L Elliott have a relevant interest in securities held by Catcha Media Berhad and Catcha Media Pte Ltd totalling 70,430,300.
[4] Shares allocated to the Director were issued to Catcha Media Pte Ltd.
[5] Shares allocated to the Director were issued to carsales.com Limited under Net change Other category.

C Service agreements

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

Performance targets for key management personnel are based upon an entry 'gate' of overall company performance at EBITDA and then individual performance is assessed against KPIs specific to the individual's business responsibilities. For the CFO, KPIs include closing cash balance and reporting delivery. For the CIO, KPIs include delivery of technology improvements and the performance of the internet sites. CEO KPIs include those allocated to the CFO and CIO.

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

Name:	Mr Damon Rielly
Title:	Chief Executive Officer
Term of agreement:	Extended from its original expiry from 31 December 2014 to 30 June 2016.
Details:	Base salary cost is AUD 280,000 per annum until 30 June 2015 and AUD 300,000 per annum from 1 July 2015 until 30 June 2016. *Short term incentive* *1 January 2014 to 31 December 2014:* Up to AUD 150,000 subject to meeting performance targets as set by the Board. Payment is to be made via shares in the Company at an issue price calculated based on the VWAP of the shares for the corresponding period. *1 January 2015 to 30 June 2015:* Up to 200,000 shares in iCar Asia Limited subject to meeting performance targets as set by the Board. *1 July 2015 to 30 June 2016:* Up to AUD 300,000 subject to meeting performance targets as set by the Board. Payment is to be made via shares in the Company at an issue price calculated based on the VWAP of the shares for the corresponding period. AUD 20,000 cash payment subject to satisfactory completion of the period. *Long term incentive 1 January 2014 to 31 December 2014:* Up to AUD 50,000 subject to meeting performance targets as set by the Board. Payment is to be made via shares in the Company at an issue price calculated based on the VWAP of the shares for the corresponding period and issued 2 years and 3 months after the period. *Other benefits:* Housing allowance of MYR 12,000 per month (equivalent to approximately AUD 4,074 per month). School fee allowance variable with age of child to a maximum of MYR 50,000 per annum per child (equivalent to approximately AUD 16,978 per annum). Please see above for performance criteria.

Name:	Mr Joe Dische
Title:	Chief Financial Officer (appointed 9 June 2014)
Term of agreement:	Ends 31 December 2016. 6 months termination notice period by executive and company.
Details:	Base salary cost is AUD 230,000 per annum from 9 June 2014 to 31 December 2014. Base salary cost is AUD 250,000 from 1 January 2015. *Short term incentive:* From 9 June 2014 to 31 December 2014: up to AUD 92,000 per annum pro-rated subject to meeting performance targets as set by the Board. Payment is to be made via shares in the Company at an issue price calculated based on the VWAP of the shares for the corresponding period. From 1 January 2015: up to AUD 100,000 per annum on same basis. *Long term incentive:* From 9 June 2014 to 31 December 2014: up to AUD 69,000 per annum pro-rated subject to meeting performance targets as set by the Board. Payment is to be made via shares in the Company at an issue price calculated based on the VWAP of the shares for the corresponding period and issued 2 years and 3 months after the period. From 1 January 2015: up to AUD 75,000 per annum on same basis. *Other benefits:* Housing allowance of MYR 9,000 per month (equivalent to approximately AUD 3,056 per month). School fee allowance variable with age of child to a maximum of MYR 50,000 per annum per child (equivalent to approximately AUD 16,978 per annum). Please see above for performance criteria.
Name:	Mr Joey Caisse
Title:	Chief Information Officer
Term of agreement:	Ends 31 December 2015. 6 months termination notice period by executive and company.
Details:	Base salary cost is AUD 230,000 per annum *Short term incentive:* Up to AUD 92,000 per annum with payment to be made via shares in the Company at an issue price calculated based on the VWAP of the shares for the corresponding period. *Long term incentive:* Up to AUD 69,000 per annum subject to meeting performance targets as set by the Board. Payment is to be made via shares in the Company at an issue price calculated based on the VWAP of the shares for the corresponding period and issued 2 years and 3 months after the period. *Other benefits:* Housing allowance of MYR 9,000 per month (equivalent to approximately AUD 3,056 per month). School fee allowance variable with age of child to a maximum of MYR 50,000 per annum per child (equivalent to approximately AUD 16,978 per annum). Please see above for performance criteria

The Remuneration Committee of the Board will recommend each year, reasonable performance measures and targets for use in assessing each Executive's performance. After the end of each financial year, the Remuneration Committee of the Board will review each Executive's performance in comparison to these measures and targets. STI targets (as a percentage of Total Executive Compensation ("TEC")) are to be determined annually by the Board, based on the recommendation of the Remuneration Committee for the coming year. TEC is base remuneration inclusive of superannuation and benefits but excludes leave accrued not taken.

D Share-based compensation

Issue of shares

Details of shares issued to directors and other key management personnel as part of compensation during the year ended 31 December 2014 are set out below:

Name	Date	No of shares	$Fair Value[3]
Patrick Grove[1]	10/6/2014	91,686	60,000
Lucas Elliott[1]	10/6/2014	73,349	48,000
Shaun Di Gregorio	10/6/2014	73,349	48,000
Mark Britt	10/6/2014	73,349	48,000
Cameron McIntyre[2]	10/6/2014	54,258	35,507
Nick Geddes	10/6/2014	31,349	20,515
Damon Rielly	11/4/2014	348,308	372,690
Joey Caisse	11/4/2014	195,245	208,912

[1] Shares allocated to the Director were issued to Catcha Media Pte Ltd.
[2] Shares allocated to the Director were issued to carsales.com Limited.
[3] For Executive KMP, fair value reflects issue price 28 February 2014 when the Group and Executive agree to a share based payment arrangement.

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 2014.

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 2014.

E Additional information

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

The earnings of the Group for the two years to 31 December 2014 are summarised below:

	2014	2013
	$	$
Revenue	2,814,246	1,445,551
Loss after income tax	(16,699,930)	(6,901,778)
STI bonus paid as a % of available	100%	100%

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

	2014	2013
Share price at financial year end ($A)	1.09	0.91
Basic earnings per share (cents per share)	(8.64)	(4.10)
Diluted earnings per share (cents per share)	(8.64)	(4.10)

This concludes the remuneration report, which has been audited.

Signed in accordance with a resolution of the directors.

Patrick Grove
Chairman
25 February 2015
Kuala Lumpur

Building a better working world

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

In relation to our audit of the financial report of iCar Asia Limited for the financial year ended 31 December 2014, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the *Corporations Act 2001* or any applicable code of professional conduct.

Ernst & Young

Ernst & Young

David

D. R. McGregor
Partner
25 February 2015

iCar Asia Limited and Controlled Entities
Statement of comprehensive income
For the year ended 31 December 2014

	Note	Consolidated 2014 $	Consolidated 2013 $
Revenue	5	2,814,246	1,445,551
Expenses			
Administration and related expenses		(3,205,471)	(1,427,209)
Advertising and marketing expenses		(5,793,362)	(1,661,372)
Employment related expenses	6	(5,782,766)	(4,433,507)
Premises and infrastructure expenses		(900,175)	(564,389)
Offline production costs		(323,816)	(263,994)
Loss before interest, tax, depreciation and amortisation (EBITDA)		(13,191,344)	(6,904,920)
Depreciation and amortisation expense	6	(762,753)	(312,898)
Impairment of assets	12	(3,040,688)	-
Loss before interest and tax		(16,994,785)	(7,217,818)
Interest income		430,361	407,132
Interest expense	6	(49,853)	(41,092)
Loss before tax		(16,614,277)	(6,851,778)
Income tax (expense)/benefit	7	(85,653)	(50,000)
Loss after income tax expense for the year attributable to the owners of iCar Asia Limited and Controlled Entities	19	(16,699,930)	(6,901,778)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation		226,932	(186,866)
Other comprehensive income for the year, net of tax		226,932	(186,866)
Total comprehensive income for the year attributable to the owners of iCar Asia Limited and Controlled Entities		(16,472,998)	(7,088,644)
		Cents	**Cents**
Basic earnings per share	32	(8.64)	(4.10)
Diluted earnings per share	32	(8.64)	(4.10)

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

iCar Asia Limited and Controlled Entities
Statement of Financial Position
As at 31 December 2014

	Note	Consolidated 2014 $	Consolidated 2013 $
Assets			
Current assets			
Cash and cash equivalents	8	15,361,635	12,481,630
Trade and other receivables	9	1,036,441	523,652
Other assets	10	689,890	650,754
Total current assets		**17,087,966**	**13,656,036**
Non-current assets			
Property, plant and equipment	11	533,994	667,954
Intangibles	12	6,106,929	1,972,027
Goodwill	12	17,034,220	4,701,600
Total non-current assets		**23,675,143**	**7,341,581**
Total assets		**40,763,109**	**20,997,617**
Liabilities			
Current liabilities			
Trade and other payables	13	4,482,916	893,533
Provisions	14	980,040	629,825
Total current liabilities		**5,462,956**	**1,523,358**
Non-current liabilities			
Borrowings	15	537,065	530,013
Payables	16	-	1,301,232
Total non-current liabilities		**537,065**	**1,831,245**
Total liabilities		**6,000,021**	**3,354,603**
Net assets		**34,763,088**	**17,643,014**
Equity			
Issued capital	17	70,188,628	36,854,151
Reserves	18	(10,067,214)	(10,552,741)
Accumulated losses	19	(25,358,326)	(8,658,396)
Total equity		**34,763,088**	**17,643,014**

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

iCar Asia Limited and Controlled Entities
Statement of Changes in Equity
For the year ended 31 December 2014

	Issued capital	Foreign currency translation reserve	Equity Reserve	Share based payment reserve	Accumulated losses	Total Equity
	$	$	$	$	$	$
Consolidated						
Balance at 1 January 2014	36,854,151	(238,149)	(10,965,292)	650,700	(8,658,396)	17,643,014
Loss after income tax expense for the period	-	-	-	-	(16,699,930)	(16,699,930)
Other comprehensive income for the period, net of tax	-	226,932	-	-	-	226,932
Total comprehensive income for the period	-	226,932	-	-	(16,699,930)	(16,472,998)
Transactions with owners in their capacity as owners:						
Issue of shares	34,419,507	-	-	(550,700)	-	33,868,807
Transaction costs	(1,085,030)	-	-	-	-	(1,085,030)
Shares to be issued in lieu of directors' remuneration	-	-	-	260,000	-	260,000
Shares to be issued in lieu of STI and LTI	-	-	-	549,295	-	549,295
Balance at 31 December 2014	**70,188,628**	**(11,217)**	**(10,965,292)**	**909,295**	**(25,358,326)**	**34,763,088**

	Issued capital	Foreign currency translation reserve	Equity Reserve	Share based payment reserve	Accumulated losses	Total Equity
	$	$	$	$	$	$
Consolidated						
Balance at 1 January 2013	21,053,923	(51,283)	(10,965,292)	100,000	(1,756,618)	8,380,730
Loss after income tax expense for the period	-	-	-	-	(6,901,778)	(6,901,778)
Other comprehensive income for the period, net of tax	-	(186,866)	-	-	-	(186,866)
Total comprehensive income for the period	-	(186,866)	-	-	(6,901,778)	(7,088,644)
Transactions with owners in their capacity as owners:						
Issue of shares	15,819,213	-	-	-	-	15,819,213
Transaction costs	(18,985)	-	-	-	-	(18,985)
Shares to be issued in lieu of directors' remuneration	-	-	-	256,000	-	256,000
Shares to be issued in lieu of STI	-	-	-	294,700	-	294,700
Balance at 31 December 2013	**36,854,151**	**(238,149)**	**(10,965,292)**	**650,700**	**(8,658,396)**	**17,643,014**

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

iCar Asia Limited and Controlled Entities
Statement of Cash Flows
For the year ended 31 December 2014

	Note	Consolidated 2014 $	2013 $
Cash flows from operating activities			
Receipts from customers		2,908,602	1,061,143
Payments to suppliers and employees		(14,507,280)	(6,954,658)
		(11,598,678)	(5,893,515)
Interest received		535,185	312,564
Interest paid		(90,100)	(41,092)
Net cash used in operating activities	31	(11,153,593)	(5,622,043)
Cash flows from investing activities			
Payments for property, plant and equipment		(288,437)	(562,750)
Payments for intangibles		(759,264)	(577,574)
Payments for purchase of subsidiaries, net of cash acquired		(14,164,799)	(1,053,695)
Net cash used in investing activities		(15,212,500)	(2,194,019)
Cash flows from financing activities			
Proceeds from issue of shares		30,241,138	14,210,858
Share issue transaction costs		(995,040)	(18,985)
Repayment of borrowings		-	(167,224)
Net cash provided by financing activities		29,246,098	14,024,649
Net increase in cash and cash equivalents		2,880,005	6,208,587
Cash and cash equivalents at the beginning of the period		12,481,630	6,273,043
Cash and cash equivalents at the end of the period	8	**15,361,635**	**12,481,630**

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

1. Corporate information

The consolidated financial statements of iCar Asia Limited and its subsidiaries (collectively, the 'Group') for the year ended 31 December 2014 were authorised for issue in accordance with a resolution of Directors made on 25 February 2015. The Directors have the power to amend and reissue the financial report.

iCar Asia Limited is a public company incorporated in Australia and is listed on the Australian Securities Exchange. The Group's principal place of business is Menara UOA Bangsar, Kuala Lumpur, Malaysia.

The Group principal activities during the year were the development and operation of internet based automotive portals and the advertising, publication and distribution of automotive magazines in South East Asia.

2. Summary of significant accounting policies

2.1 Basis of preparation

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

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

Clarification of terminology used in our income statement:
Earnings/(Loss) before interest, income tax expense, depreciation and amortisation (EBITDA) reflects the profit for the year prior to including the effect of net finance costs, income taxes, depreciation, amortisation and impairment. The Group believe that EBITDA is a relevant and useful financial measure used by management to measure the Company's ongoing operating performance.

2.2 Compliance with International Financial Reporting Standards (IFRS)

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

2.3 Changes in accounting policies, disclosures, standards and interpretations

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

The Group applied, for the first time, certain standards and amendments which are effective for annual periods beginning on or after 1 January 2014.The nature and the impact of each new standard and/or amendment is described below:

Investment Entities – Amendments to AASB 10, AASB 12 and AASB 127

These amendments provide an exception to the consolidation requirement for entities that meet the definition of an investment entity under AASB 10 Consolidated Financial Statements and must be applied retrospectively, subject to certain transition relief. The exception to consolidation requires investment entities to account for subsidiaries at fair value through profit or loss. These amendments have no impact on the Group, since none of the entities in the Group qualifies to be an investment entity under AASB 10.

Remove Individual Key Management Personnel Disclosure Requirements – Amendments to AASB 124

This amendment deletes from AASB 124 individual key management personnel disclosure requirements for disclosing entities that are not companies. It also removes the individual KMP disclosure requirements for all disclosing entities in relation to equity holdings, loans and other related party transactions. This amendment has resulted in reduced disclosures in the Group's financial statements.

Recoverable Amount Disclosures for Non-Financial Assets – Amendments to AASB 136

The amendments include the requirement to disclose additional information about the fair value measurement when the recoverable amount of impaired assets is based on fair value less costs of disposal. This amendment has not resulted in increased disclosures in the Group's financial statements in the current year. Refer note 2 i).

2. Summary of significant accounting policies (continued)

Offsetting Financial Assets and Financial Liabilities - Amendments to AASB 132

These amendments clarify the meaning of 'currently has a legally enforceable right to set-off' and the criteria for non-simultaneous settlement mechanisms of clearing houses to qualify for offsetting and is applied retrospectively. These amendments have no impact on the Group, since none of the entities in the Group have any offsetting arrangements.

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

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective and have not been adopted by the Group for the annual reporting period ended 31 December 2014 are outlined below:

AASB 9/ IFRS 9 Financial Instruments

Application Date of Standard: 1 January 2018, Application Date: 1 January 2018

On 24 July 2014, the IASB issued the final version of IFRS 9 which replaces IAS 39 and includes a logical model for classification and measurement, a single, forward-looking 'expected loss' impairment model and a substantially-reformed approach to hedge accounting.
The final version of IFRS 9 introduces a new expected-loss impairment model that will require more timely recognition of expected credit losses. Specifically, the new Standard requires entities to account for expected credit losses from when financial instruments are first recognised and to recognise full lifetime expected losses on a timelier basis.
In January 2015 the AASB approved the final version of AASB 9. A revised version of AASB 9 (AASB 2013-9) was issued in December 2013 which included the new hedge accounting requirements, including changes to hedge effectiveness testing, treatment of hedging costs, risk components that can be hedged and disclosures.
AASB 9 includes requirements for a simplified approach for classification and measurement of financial assets compared with the requirements of AASB 139.
AASB 9 also removes the volatility in profit or loss that was caused by changes in the credit risk of liabilities elected to be measured at fair value. This change in accounting means that gains caused by the deterioration of an entity's own credit risk on such liabilities are no longer recognised in profit or loss.
The Group does not expect this standard will have significant impact on the Group financial report however it will continue to assess this.

AASB 2014-1 Part A -Annual Improvements 2010–2012 Cycle Amendments to Australian Accounting Standards - Part A Annual Improvements to IFRSs 2010–2012 Cycle

Application Date of Standard: 1 July 2014, Application Date: 1 January 2015

AASB 2014-1 Part A: This standard sets out amendments to Australian Accounting Standards arising from the issuance by the International Accounting Standards Board (IASB) of International Financial Reporting Standards (IFRSs) Annual Improvements to IFRSs 2010–2012 Cycle and Annual Improvements to IFRSs 2011–2013 Cycle.
Annual Improvements to IFRSs 2010–2012 Cycle addresses the following items:
AASB 2 - Clarifies the definition of 'vesting conditions' and 'market condition' and introduces the definition of 'performance condition' and 'service condition'.
AASB 3 - Clarifies the classification requirements for contingent consideration in a business combination by removing all references to AASB 137.
AASB 8 - Requires entities to disclose factors used to identify the entity's reportable segments when operating segments have been aggregated. An entity is also required to provide a reconciliation of total reportable segments' asset to the entity's total assets.
AASB 116 & AASB 138 - Clarifies that the determination of accumulated depreciation does not depend on the selection of the valuation technique and that it is calculated as the difference between the gross and net carrying amounts.
AASB 124 - Defines a management entity providing KMP services as a related party of the reporting entity. The amendments added an exemption from the detailed disclosure requirements in paragraph 17 of AASB 124 for KMP services provided by a management entity. Payments made to a management entity in respect of KMP services should be separately disclosed.

2. Summary of significant accounting policies (continued)

The Group does not expect this amendment to have any significant impacts on the Group financial report however it will continue to assess this.

AASB 2014-1 Part A -Annual Improvements 2011–2013 Cycle Amendments to Australian Accounting Standards - Part A Annual Improvements to IFRSs 2011–2013 Cycle

Application Date of Standard: 1 July 2014, Application Date: 1 January 2015

Annual Improvements to IFRSs 2011–2013 Cycle addresses the following items:
AASB13 - Clarifies that the portfolio exception in paragraph 52 of AASB 13 applies to all contracts within the scope of AASB 139 or AASB 9, regardless of whether they meet the definitions of financial assets or financial liabilities as defined in AASB 132.
AASB40 - Clarifies that judgment is needed to determine whether an acquisition of investment property is solely the acquisition of an investment property or whether it is the acquisition of a group of assets or a business combination in the scope of AASB 3 that includes an investment property. That judgment is based on guidance in AASB 3.
The Group does not expect these amendments to have any significant impacts on the Group financial report however it will continue to assess this.

AASB 2014-4 Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to AASB 116 and AASB 138)

Application Date of Standard: 1 January 2016, Application Date: 1 January 2016

AASB 116 and AASB 138 both establish the principle for the basis of depreciation and amortisation as being the expected pattern of consumption of the future economic benefits of an asset.
The IASB has clarified that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset.
The amendment also clarified that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset. This presumption, however, can be rebutted in certain limited circumstances.
The Group does not expect this amendment to have any significant impacts on the Group financial report however it will continue to assess this.

IFRS 15 Revenue from Contracts with Customers

Application Date of Standard: 1 January 2017, Application Date: 1 January 2017

In May 2014, the IASB issued IFRS 15 Revenue from Contracts with Customers, which replaces IAS 11 Construction Contracts, IAS 18 Revenue and related Interpretations (IFRIC 13 Customer Loyalty Programmes, IFRIC 15 Agreements for the Construction of Real Estate, IFRIC 18 Transfers of Assets from Customers and SIC-31 Revenue—Barter Transactions Involving Advertising Services).
The core principle of IFRS 15 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. An entity recognises revenue in accordance with that core principle by applying the following steps:
(a) Step 1: Identify the contract(s) with a customer
(b) Step 2: Identify the performance obligations in the contract
(c) Step 3: Determine the transaction price
(d) Step 4: Allocate the transaction price to the performance obligations in the contract
(e) Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation
This standard was adopted by the AASB on 12 December 2014.
The Group is currently evaluating the impact of this new standard.

2. Summary of significant accounting policies (continued)

2.4 Significant accounting policies

a) Basis of consolidation

The consolidated financial statements incorporate the assets and liabilities of the Group at 31 December 2014 and the results for the year then ended.

Subsidiaries are all those entities over which the Group has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one-half of the voting rights. The effects of potential exercisable voting rights are considered when assessing whether control exists. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

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

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

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

b) Business combinations

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

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

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

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

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

2. Summary of significant accounting policies (continued)

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

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

c) Foreign currency translation

The financial report is presented in Australian dollars, which is the Group’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

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

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

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

d) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

2. Summary of significant accounting policies (continued)

Rendering of services
Revenue is recognised where the contract outcome can be estimated reliably and control of the right to be compensated for their service and the stage of completion can be reliably measured. Advance billings are deferred and released in the appropriate period when the service is delivered. Prepayments are capitalised and released in the appropriate period when service is delivered. Where customers prepay for services and it is not possible to allocate those prepayments to the services provided the revenue is amortised over the expiry period of the credit.

Barter transactions
The group periodically enters into barter transactions and revenue is recognised based on the requirements of SIC 31. No barter revenue has been recognised in the current year.

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.

e) Taxes

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

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

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

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

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

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

2. Summary of significant accounting policies (continued)

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

Other taxes

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

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

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

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

f) Property, plant and equipment

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

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

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

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

The useful lives are unchanged from the prior reporting period.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Group. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

g) Leases

Leases are classified as finance leases when the terms of the lease transfer substantially all the risks and rewards incidental to ownership of the leased asset to the lessee. All other leases are classified as operating leases. Assets held under finance leases are initially recognised at their fair value or, if lower, at amounts equal to the present value of the minimum lease payments, each determined at the inception of the lease. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against income.

2. Summary of significant accounting policies (continued)

Finance leased assets are amortised on a straight line basis over the estimated useful life of the asset. Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

Lease incentives

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefits of incentives are recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

h) Intangible assets

Goodwill

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

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

Intangible assets acquired separately

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

Internally-generated intangible assets – research and development expenditure

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

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

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

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets acquired separately.

2. Summary of significant accounting policies (continued)

Intangible assets acquired in a business combination

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

Acquired software

Software is not considered to have an indefinite life and is generally amortised over 3 - 5 years. If at any point the software is no longer is in use or contributing to add value it will be written down to zero.

i) Impairment of non-financial assets

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

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

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

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

j) Cash and cash equivalents

Cash comprises cash on hand and on demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

k) 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 provision for impairment. Trade receivables are generally due for settlement within 30 days for direct client billings and 90 days for agency billings.

2. Summary of significant accounting policies (continued)

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off by reducing the carrying amount directly. A provision for impairment of trade receivables is raised when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation and default or delinquency in payments are considered indicators that the trade receivable may be impaired. The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

l) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group 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.

m) Borrowings

Borrowings are recorded initially at fair value, net of transaction costs. Subsequent to initial recognition, borrowings are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in income over the period of the borrowing using the effective interest rate method. All borrowing costs are recognised in profit or loss in the period in which they are incurred.

Where there is an unconditional right to defer settlement of the liability for at least 12 months after the reporting date, the loans or borrowings are classified as non-current.

n) Finance costs

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

- interest on short-term and long-term borrowings

o) Provisions

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

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

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

2. Summary of significant accounting policies (continued)

p) Employee benefits

Wages and salaries, annual leave and long service leave

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave and sick leave when it is probable that settlement will be required and they are capable of being measured reliably. Liabilities recognised in respect of employee benefits expected to be settled within 12 months, are measured at their nominal values using the remuneration rate expected to apply at the time of settlement. Liabilities recognised in respect of employee benefits which are not expected to be settled within 12 months are measured as the present value of the estimated future cash outflows to be made by the Group in respect of services provided by employees up to reporting.

Defined contribution pension expense

Contributions to defined benefit contribution pension plans are expensed when incurred.

Share-based payments

The Group measures the cost of equity settled transactions with employees and other parties based on the fair value of the equity provided at the time of exchange. Where this is with an external party this is generally based on an appropriate time framed Volume Weighted Average Price (VWAP) of iCar Asia shares traded on the ASX at the time of settlement.

Where it is with employees in relation to performance payments in the future, the fair value is estimated based on an estimation of the probability of all performance criteria being met. This value is then used to discount the current value of the equity to determine an appropriate amount to be expensed each period until the vesting date. The estimate will have no impact on the carrying amount of the assets or liabilities of the company but may impact the value of expenses and equity in the current and future periods. Any variance in the possible amounts is not considered by the board to be material.

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

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

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

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

q) 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.

2. Summary of significant accounting policies (continued)

r) Earnings per share

Basic earnings per share

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

Diluted earnings per share

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

3. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The 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.

Share-based payment transactions

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using an appropriate time framed VWAP of iCar Asia shares traded on the ASX at the time of settlement taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

Provision for impairment of receivables

The provision for impairment of receivables assessment requires a degree of estimation and judgement. The level of provision is assessed by taking into account the recent sales experience, the ageing of receivables, historical collection rates and specific knowledge of the individual debtors' financial position.

The fair value of financial instruments classified as level 3 is determined by the use of valuation models. These include discounted cash flow analysis or the use of observable inputs that require significant adjustments based on unobservable inputs.

Estimation of useful lives of assets

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

3. Critical accounting judgements, estimates and assumptions (continued)

Goodwill and other indefinite life intangible assets

The Group tests annually, or more frequently if events or changes in circumstances indicate impairment, whether goodwill and other indefinite life intangible assets have suffered any impairment, in accordance with the accounting policy stated in note 2. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of assumptions, including estimated discount rates based on the current cost of capital and growth rates of the estimated future cash flows.

Business combinations

As discussed in note 2, business combinations are initially accounted for on a provisional basis. The fair value of assets acquired, liabilities and contingent liabilities assumed are initially estimated by the Group taking into consideration all available information at the reporting date. Fair value adjustments on the finalisation of the business combination accounting is retrospective, where applicable, to the period the combination occurred and may have an impact on the assets and liabilities, depreciation and amortisation reported.

4. Operating segments

Identification of reportable operating segments

The Group identifies the chief operating decision maker ('CODM') as the executive management team. Information reported to the executive management team for the purposes of resource allocation and assessment of performance is more specifically focused on the geographic location of services provided. The company operates in only one business segment which is the advertising segment.

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

The company's reportable segments are as follows:

Malaysia	Thailand
Indonesia	Corporate

Intersegment transactions

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

Allocation of resources between segments

All assets are allocated to reportable segments other than any interests in associates, other financial assets, and current and deferred tax assets. Assets used by reportable segments are allocated on the basis of the revenues earned by individual reportable segments.

All liabilities are allocated to reportable segments other than borrowings, other financial liabilities, current and deferred tax liabilities. Liabilities for which reportable segments are jointly liable are allocated in proportion to segment assets.

Major customers

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

4. Operating segments (continued)

Operating segment information

Consolidated - 2014	Malaysia $	Indonesia $	Thailand $	Corporate $	Intersegment eliminations/ unallocated $	Total $
Revenue						
Sales	2,126,078	105,268	582,900	-	-	2,814,246
Total sales revenue	2,126,078	105,268	582,900	-	-	2,814,246
Other revenue	-	-	-	-	-	-
Interest Revenue	1,561	-	3,950	424,850	-	430,361
Total revenue	2,127,639	105,268	586,850	424,850	-	3,244,607
Total revenue	2,127,639	105,268	586,850	424,850	-	3,244,607
Depreciation and amortisation	(434,442)	(91,346)	(106,819)	(130,146)	-	(762,753)
Impairment of assets	-	(3,040,688)	-	-	-	(3,040,688)
Finance costs	(49,853)	-	-	-	-	(49,853)
Other expenses	(4,727,711)	(2,590,363)	(3,042,941)	(5,644,575)	-	(16,005,590)
Loss before income tax expense	(3,084,367)	(5,617,129)	(2,562,910)	(5,349,871)	-	(16,614,277)
Income tax expense						(85,653)
Loss after income tax expense						(16,699,930)
Assets						
Segment assets	5,672,377	398,695	20,783,764	13,908,273	-	40,763,109
Total assets						40,763,109
Liabilities						
Segment liabilities	2,340,496	835,111	813,725	2,010,689	-	6,000,021
Total liabilities						6,000,021

4. Operating segments (continued)

Consolidated - 2013	Malaysia $	Indonesia $	Thailand $	Corporate $	Intersegment eliminations/ unallocated $	Total $
Revenue						
Sales	1,102,483	16,544	227,380	-	-	1,346,407
Total sales revenue	1,102,483	16,544	227,380	-	-	1,346,407
Other revenue	99,144	-	-	-	-	99,144
Interest Revenue	-	-	-	407,132	-	407,132
Total revenue	1,201,627	16,544	227,380	407,132	-	1,852,683
Total revenue	1,201,627	16,544	227,380	407,132	-	1,852,683
Depreciation and amortisation	(173,180)	(65,230)	(74,488)	-	-	(312,898)
Finance costs	(41,092)	-	-	-	-	(41,092)
Other expenses	(3,473,506)	(1,124,149)	(1,137,829)	(2,614,987)	-	(8,350,471)
Loss before income tax expense	(2,486,151)	(1,172,835)	(984,937)	(2,207,855)	-	(6,851,778)
Income tax expense						(50,000)
Loss after income tax expense						(6,901,778)
Assets						
Segment assets	3,900,025	3,083,307	1,531,800	12,482,485	-	20,997,617
Total assets						20,997,617
Liabilities						
Segment liabilities	2,539,906	160,759	259,580	394,358	-	3,354,603
Total liabilities						3,354,603

5. Revenue

	Consolidated 2014 $	Consolidated 2013 $
Sales revenue		
Rendering of services	2,814,246	1,346,407
Other revenue		
Other revenue	-	99,144
Interest	430,361	407,132
	430,361	506,276
Revenue	3,244,607	1,852,683

6. Expenses

	Consolidated	
	2014	2013
	$	$
Loss before income tax includes the following specific expenses:		
Depreciation		
Leasehold improvements	33,909	25,455
Plant and equipment	177,230	100,700
Fixtures and fittings	15,267	8,710
Total depreciation	226,406	134,865
Amortisation		
Websites, domain names, trademarks and other intangibles	536,347	178,033
Impairment of assets	3,040,688	-
Total depreciation, amortisation and impairment	3,803,441	312,898
Finance costs		
Interest and finance charges paid/payable	49,853	41,092
Employment and related expenses		
Salaries and wages	3,533,370	2,818,266
Super and pension related	122,344	167,060
Commissions	91,100	26,810
Other employment benefits	231,589	234,844
Share based payments - equity settled	924,694	729,500
Incentives/Bonus	852,692	451,638
Compensated leave	26,977	5,389
Total employment and related expenses	5,782,766	4,433,507

There are currently 344 full-time employees (2013: 190).

7. Income tax expense

Income tax recognised in profit or loss

	Consolidated 2014 $	Consolidated 2013 $
Current tax		
Current tax expense/(benefit) in respect of the current year	85,653	50,000
Under/(Over) provision of prior year tax	-	-
	85,653	50,000
Deferred tax		
Deferred tax expense recognised in the current year	-	-
	-	-
Total income tax expense/(benefit) recognised in the current year	-	-

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

	2014	2013
Loss before tax from operations	(16,614,277)	(6,851,778)
Income tax expense calculated at 30% (2010: 30%)	(4,984,283)	(2,055,533)
Effect of different tax rates of subsidiaries operating in other jurisdictions	482,003	336,003
Temporary differences – accruals and provisions	197,682	298,451
Deductible costs relating to share issue expenses	(285,777)	(67,632)
Effect of unused tax losses and tax offsets not recognised as deferred tax assets	4,676,028	1,538,711
	85,653	50,000

	2014	2013
Tax losses of a revenue nature	6,567,530	1,891,502
Deductible transaction costs arising on shares issued	375,953	90,176
	6,943,483	1,981,678

The above potential tax benefit has not been recognised in the statement of financial position as in the opinion of the directors the recovery of this benefit is uncertain due to insufficient sources of taxable income to utilise the losses and/or future deductions.

8. Current assets - cash and cash equivalents

	Consolidated 2014 $	Consolidated 2013 $
Cash at bank	7,976,510	315,596
Cash on deposit	7,385,125	12,166,034
	15,361,635	12,481,630

9. Current assets - trade and other receivables

	Consolidated	
	2014	2013
	$	$
Trade receivables	1,036,441	523,652

The average credit period on rendering of services is 30 days for direct client billings and 90 days for agency billings. The Group does not charge interest on trade receivables for amounts owing past due date neither does it hold collateral over these balances. A provision for doubtful debts has been provided for estimated irrecoverable trade receivables past credit period determined by reference to past default experience and the change in quality of trade receivables.

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

Impairment of receivables
The Group has recognised a loss of $31,395 (2013: $nil) in profit or loss in respect of impairment of receivables for the year ended 31 December 2014.

Past due but not impaired
Customers with balances past due but without provision for impairment of receivables amount to $376,033 as at 31 December 2014 ($55,299 as at 31 December 2013).

The Group did not consider a credit risk on the aggregate balances after reviewing credit terms of customers based on recent collection practices.

The ageing of the past due but not impaired receivables are as follows:

	Consolidated	
	2014	2013
	$	$
0-30 days	136,672	48,082
31-60 days	113,912	7,217
61-90 days	116,381	-
90 plus days	10,068	-
	377,033	55,299

Doubtful debts reconciliation	$
As at 1 January 2013	
Charge for the year	-
Utilised	-
Unused amounts reversed	-
At 31 December 2013	-
Charge for the year	31,395
Utilised	-
Unused amounts reversed	-
At 31 December 2014	**31,395**

10. Current assets - other

	Consolidated 2014 $	Consolidated 2013 $
Prepayments	292,330	216,484
Other deposits	202,770	184,625
Accrued interest and GST receivable	194,790	249,645
	689,890	650,754

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

	Consolidated 2014 $	Consolidated 2013 $
Leasehold improvements - at cost	296,524	158,537
Less: Accumulated depreciation	(174,550)	(27,598)
	121,974	130,939
Plant and equipment - at cost	1,255,480	612,397
Less: Accumulated depreciation	(898,856)	(125,661)
	356,624	486,736
Furniture and fittings - at cost	156,063	64,878
Less: Accumulated depreciation	(100,667)	(14,599)
	55,396	50,279
	533,994	667,954

Reconciliations

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

	Leasehold improvements $	Plant and equipment $	Furniture and fittings $	Total $
Consolidated				
Balance at 1 January 2013	109,007	102,593	33,676	245,276
Additions	39,445	496,107	27,198	562,750
Exchange differences	7,942	(11,264)	(1,885)	(5,207)
Depreciation expense	(25,455)	(100,700)	(8,710)	(134,865)
Balance at 31 December 2013	130,939	486,736	50,279	667,954
Additions	24,017	284,414	18,712	327,143
Movement to Other Intangibles*	-	(151,100)	-	(151,100)
Additions from business combinations	21,319	61,845	10,890	94,054
Impairment	(40,946)	(127,503)	(10,405)	(178,854)
Exchange differences	20,554	(20,538)	1,187	1,203
Depreciation expense	(33,909)	(177,230)	(15,267)	(226,406)
Balance at 31 December 2014	121,974	356,624	55,396	533,994

*Transfer of website costs

12. Non-current assets- Intangibles and Goodwill

	Consolidated 2014 $	Consolidated 2013 $
Goodwill - at cost	17,034,220	4,701,600
	17,034,220	4,701,600
Other intangible assets - at cost	7,137,423	2,150,297
Less: Accumulated amortisation	(1,030,494)	(178,270)
	6,106,929	1,972,027
	23,141,149	6,673,627

Reconciliations

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

	Goodwill $	Other intangibles $	Total $
Consolidated			
Balance at 1 January 2013	2,600,000	1,847,109	4,447,109
Additions	400,000	377,573	777,573
Additions through business combinations (note 28)	1,737,812	-	1,737,812
Exchange differences	(36,212)	(74,623)	(110,835)
Amortisation expense	-	(178,032)	(178,032)
Balance at 31 December 2013	4,701,600	1,972,027	6,673,627
Additions	-	1,349,612	1,349,612
Additions through business combinations (note 28)	14,632,640	3,492,100	18,124,740
Impairment	(2,545,710)	(316,124)	(2,861,834)
Exchange differences	245,690	145,661	391,351
Amortisation expense	-	(536,347)	(536,347)
Balance at 31 December 2014	17,034,220	6,106,929	23,141,149

Goodwill is allocated for impairment testing purposes to the Indonesia cash generating unit with a carrying value of $nil (2013: $2,380,784) as a result of annual impairment testing.

Goodwill of $15,087,427 (2013: $418,827) is allocated to the Thailand cash generating unit after adjusting for foreign exchange rates at the balance sheet date.

Goodwill of $1,946,793 (2013: $1,901,989) is allocated to the Malaysian cash generating unit after adjusting for foreign exchange rates at the balance sheet date.

Domain names and websites are amortised over 10 years. Indefinite life intangibles are allocated to the cash-generating units for which they relate. Software is amortised over 3-5 years.

During the year the useful life of EVO license was re-measured and decreased from 10 years to 3 years in line with the initial expiry of the EVO license contract. Total amount amortisation charged during the year was $304,508.

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

	Consolidated 2014 $	Consolidated 2013 $
Evo license (Malaysia)	359,891	663,636
Autospinn.com website (Thailand)	602,587	625,029
Mobil123.com website (Indonesia)	-	329,723
One2Car.com brand (Thailand)	2,162,528	-
One2Car.com customer base (Thailand)	1,329,572	-
Other Intangibles- Internal	1,652,351	353,639
	6,106,929	1,972,027

The Group performed its annual impaired test at 31 December 2014. The Group considers the relationship between its market capitalisation and its book value, among other factors, when reviewing for indicators of impairment. As at 31 December 2014, the market capitalisation of the group was above the book value of its equity and therefore not an indicator of impairment.

Following accounting policy 2 i) the recoverable amount of the cash generating units was determined based on a value in use calculation.

The 5 year Group cashflows assume that revenues rise significantly year on year due to increased penetration of car dealers and private sellers, the continued migration of advertising monies from offline to online and a strong ASEAN automotive market with 10% per annum growth in marketing spend. Long term growth rates were set at 5% reflecting longer-term growth in ASEAN economies.

Management have determined the appropriate WACC discount rate, terminal multiple ('TM') and long-term growth rates as follows:

	WACC rate	Terminal Multiple	Long term growth rates
Malaysia	14.9%	10.66	5%
Thailand	15.4%	10.10	5%
Indonesia	20.4%	6.84	5%

Thailand and Malaysia CGUs

For the Malaysia and Thailand CGUs the WACC and TM rates did not indicate impairment. Scenarios of 10% revenue upgrade and downgrade were analysed. WACC and TM scenarios of 8% to 20% and 4 to 14 respectively were analysed (varying by market). The scenarios did not indicate impairment.

Management believes that any reasonably possible change in the key assumptions on which the recoverable amount is based would not cause the aggregated carrying amount to exceed the aggregate recoverable amount of the cash generating unit.

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

Indonesia CGU

Recently a strategic review was undertaken of the Indonesian CGU with the result that the estimated timing of the revenue streams would be later than first modelled due to the immaturity of the market. Consequently there was a decrease in medium-term revenues and a delay to the CGU attaining positive cashflows. These new assumptions were integrated into the annual impairment process.

A WACC rate of 20.4% was used with a terminal value multiple of 6.8. The WACC rate utilised was higher than that used in the 2013 impairment review due to the higher risk free rate and market risk premium now being attributed to Indonesia. As a consequence the TM dropped year on year.

The result of the assessment was that there was a negative value in use and hence the assets of the Indonesian CGU were fully impaired.

Sensitivities were undertaken at 10% revenue upgrade and downgrade and across a range of terminal value multiples (4x – 14x). The analysis supported a full impairment of Indonesian CGU assets as below:

	$
Goodwill	2,545,710
Intangibles	316,124
Fixed assets	178,854
	3,040,688

13. Current liabilities - trade and other payables

	Consolidated	
	2014	**2013**
	$	**$**
Trade payables and accruals	2,093,072	756,705
Billings in advance	707,690	136,828
Deferred consideration	1,682,154	-
	4,482,916	893,533

Refer to note 21 for further information on financial instruments.

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

The deferred consideration includes $706,544 in relation to the acquisition of DQBP Sdn Bhd which was completed on 8 March 2013, to be paid in cash and shares upon meeting of performance criteria in the first quarter of 2015. The remainder ($975,610) is in relation to the One2Car transaction on 11 December 2014, this amount was paid in 22 January 2015.

14. Current liabilities – provisions

	Consolidated 2014 $	Consolidated 2013 $
Employee benefits	169,714	35,842
Staff incentives and bonuses	633,862	512,187
Other	176,464	81,796
	980,040	629,825

The employee benefits category is composed of the compensated leave provision for the year which has grown year on year with the increase in staff numbers. The balance will be utilised by March 2015 in line with company leave policies.

The staff incentives and bonuses provision is expected to be paid to employees by the end of March 2015.

The other provision category are provisions for taxes in Indonesia.

Movements in provisions

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

	Employee Benefits	Staff incentives & bonuses $	Other $
Consolidated - 2014			
Carrying amount at the start of the year	35,842	512,187	81,796
Additional provisions recognised	175,063	702,115	94,668
Amounts used	(41,191)	(580,440)	-
Carrying amount at the end of the year	169,714	633,862	176,464

15. Non-current liabilities - borrowings

	Consolidated 2014 $	Consolidated 2013 $
Bank loans	11,321	16,369
Shareholder loans	525,744	513,644
	537,065	530,013

Refer to note 21 for further information on financial instruments.

In 2012 a loan of RM 1,500,000 equivalent to $525,744 as at 31 December 2014 was advanced to the group from a shareholder of Auto Discounts Sdn Bhd. Interest is charged at a rate of 8% per annum ($49,853) interest expense in 2014 Financial Year – see note 6 Expenses). Interest is payable annually by 31 May. The loan (principal) is repayable in financial year 2017.

Bank loans are generated from the financing of company cars for the Group.

16. Non-current liabilities - payables

	Consolidated 2014 $	Consolidated 2013 $
Deferred consideration	-	1,301,232

Refer to note 21 for further information on financial instruments.

In the prior year, the deferred consideration was in relation to the acquisition of DQBP Sdn Bhd completed on 8 March 2013, to be paid in cash and shares upon meeting of performance criteria. This has been transferred to current liabilities in the current reporting period.

17. Equity - issued capital

	Consolidated		Consolidated	
	2014 Shares	2013 Shares	2014 $	2013 $
Ordinary shares - fully paid	217,769,656	184,667,041	70,188,628	36,854,151

Movements in ordinary share capital

Details	Date	No of shares	$
Balance	31 December 2013	184,667,041	36,854,151
Issue of shares - carsales.com Ltd	5 March 2014	7,179,240	7,179,240
Issue of shares - STI to employees	30 April 2014	543,553	581,602
Issue of shares - directors remuneration	10 June 2014	397,340	260,023
Issue of shares - carsales.com Ltd	27 June 2014	215,000	140,698
Issue of shares - employees	14 August 2014	186,672	300,000
Issue of shares - business purchase One2car.com	20 November 2014	19,100,000	21,000,000
Issue of shares - Vendor of One2car.com	12 December 2014	3,374,382	3,036,944
Issue of shares – Share Purchase Plan	12 December 2014	2,106,428	1,921,000
Share issue costs			(1,085,030)
Balance	31 December 2014	217,769,656	70,188,628

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.

17. Equity - issued capital (continued)

Rights to ordinary shares granted to employees carry no rights to dividends and no voting rights. Further details of the employee share option plan are contained below and in the directors' report.

Capital risk management

The group manages its capital to ensure that entities in the group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of debt and equity balance.

The group's capital risk management policy remains unchanged from the 31 December 2013 Annual Report. The capital structure of the group includes equity attributable to equity holders of the parent, comprising issued capital, reserves and retained earnings. The group operates in various countries, primarily through subsidiary companies established in the markets in which the group operates.

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

18. Equity - reserves

	Consolidated 2014 $	Consolidated 2013 $
Foreign currency reserve	(11,217)	(238,149)
Share-based payments reserve	909,295	650,700
Equity reserves	(10,965,292)	(10,965,292)
	(10,067,214)	(10,552,741)

Consolidated	Foreign currency reserve $	Share-based payments reserve $	Equity reserves $	Total $
Balance at 1 January 2013	(51,283)	100,000	(10,965,292)	(10,916,575)
Foreign currency translation	(186,866)	-	-	(186,866)
Shares to be issued in lieu of directors remuneration	-	256,000		256,000
Shares to be issued in lieu of STI	-	294,700		294,700
Balance at 31 December 2013	(238,149)	650,700	(10,965,292)	(10,552,741)
Foreign currency translation	226,932	-	-	226,932
Shares issued during the year	-	(550,700)	-	(550,700)
Shares to be issued in lieu of directors remuneration	-	260,000	-	260,000
Shares to be issued in lieu of LTI*	-	253,628	-	253,628
Shares to be issued in lieu of STI	-	295,667	-	295,667
Balance at 31 December 2014	(11,217)	909,295	(10,965,292)	(10,067,214)

* For financial year 2013 and 2014

19. Equity - accumulated losses

	Consolidated 2014 $	Consolidated 2013 $
Accumulated losses at the beginning of the financial year	(8,658,396)	(1,756,618)
Loss after income tax expense for the year	(16,699,930)	(6,901,778)
Accumulated losses at the end of the financial year	(25,358,326)	(8,658,396)

20. Equity - dividends

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

21. Financial instruments

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

Market risk

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

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

	2014		2013	
	Weighted average interest rate	Balance	Weighted average interest rate	Balance
	%	$	%	$
Consolidated				
Cash at bank	2.92	15,361,635	3.27	12,481,630
Net exposure to cash flow interest rate risk		15,361,635		12,481,630

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

21. Financial instruments (continued)

Consolidated - 2014	Basis points increase: Basis points change	Effect on profit before tax	Effect on equity	Basis points decrease: Basis points change	Effect on profit before tax	Effect on equity
Cash at bank	50	72,898	-	50	(72,898)	-

Consolidated - 2013	Basis points increase: Basis points change	Effect on profit before tax	Effect on equity	Basis points decrease: Basis points change	Effect on profit before tax	Effect on equity
Cash at bank	50	62,408	-	50	(62,408)	-

Credit risk

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

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

Liquidity risk

Ultimate responsibility for liquidity risk management rests with board of directors, who have built an appropriate liquidity risk management framework for the management of the group's short, medium and long- term funding and liquidity management requirements. The group manages liquidity by maintaining adequate reserves and by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets with financial liabilities.

Remaining contractual maturities

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

Consolidated - 2014	Weighted average interest rate %	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives						
Non-interest bearing						
Trade payables	-	1,256,502	-	-	-	1,256,502
Deferred consideration	-	1,682,154	0	-	-	1,682,154
Total non-derivatives		2,938,656	0	0	0	2,938,656

21. Financial instruments (continued)

Consolidated - 2013	Weighted average interest rate %	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives						
Non-interest bearing						
Trade payables	-	468,595	-	-	-	468,595
Deferred consideration	-	-	1,301,232	-	-	1,301,232
Total non-derivatives		468,595	1,301,232	-	-	1,769,827

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

Fair value of financial instruments

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

22. Key management personnel disclosures

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

Patrick Grove	Chairman
Lucas Elliott	Non Executive
Shaun Di Gregorio	Non Executive
Mark Britt	Non Executive
Cameron McIntyre	Non Executive
Ajay Bhatia (Appointed 21 November 2014)	Non Executive

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

Damon Rielly	Chief Executive Officer
Joe Dische (appointed 9 June 2014)	Chief Financial Officer
Joey Caisse	Chief Information Officer

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

22. Key management personnel disclosures (continued)

	Consolidated 2014 $	Consolidated 2013 $
Short-term employee benefits	824,170	865,107
Post-employment benefits	-	-
Other long-term benefits	-	-
Termination benefits	-	-
Share-based payments	924,694	729,500
	1,748,864	1,594,607

There were no share options or tax deferred shares granted during the year. Other long-term benefits refer to key management personnel long term incentive plan accrued liabilities. Share-based payments refer to short-term incentives for key management personnel and director remuneration. See the Remuneration Report for further information.

23. Remuneration of auditors

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

	Consolidated 2014 $	Consolidated 2013 $
Audit services - Ernst & Young		
Audit or review of the financial statements	189,200	101,500
Other services - Ernst & Young	6,600	-
	195,800	101,500

The fees paid to Ernst & Young for the group audit are inclusive of auditing the financial accounts of the subsidiaries and their respective local annual reports. The fees are not allocated.

24. Contingent liabilities

There are various claims that arise in the ordinary course of business against the Group and its subsidiaries. The amounts of any liability (if any) at 31 December 2014 cannot be ascertained and the Group believes that any resulting liability would not materially affect the position of the group.

25. Commitments

	Consolidated 2014 $	Consolidated 2013 $
Lease commitments - operating		
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	351,160	153,243
One to five years	222,310	36,630
	573,470	189,873

25. Commitments (continued)

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

The premises office leases terminate: Malaysia - November 2015 to May 2017, Thailand - October 2015 to December 2015 and Indonesia - November 2019.

The lease payments recognised in the profit and loss in 2014 were $193,345 (2013: $168,251).

26. Related party transactions

Parent entity
iCar Asia Limited is the parent entity.

Subsidiaries
Interests in subsidiaries are set out in note 29.

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

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

- $7,800 of services from Redbook (Automated Data Services Pty Ltd, an 100% subsidiary of carsales.com Limited)
- $10,836 reimbursement of travelling expense incurred by a Director of the Group who is also an employee of carsales.com Limited

During the year the Group purchased company secretarial services to a value of $50,344 from Australian Company Secretaries Pty Ltd, the principal of which is Nick Geddes who is company secretary of the Group and a director in prior year.

During the year the Group entered into periodic transactions with iProperty Group Limited where each company provided the other with reciprocal online advertising space on their Malaysian websites. The management believes that these transactions did not qualify as Barter Transactions under IAS 18 / SIC 31 so have not been recognised as revenue in this or the prior reporting period.

Director and director-related entities hold directly, indirectly or beneficially interests of 116,105,387 (2013: 108,292,360) in the ordinary shares of the company as at the reporting date.

Receivable from and payable to related parties
There was a payable to Redbook (Automated Data Services Pty Ltd, an 100% subsidiary of carsales.com Ltd) for $1,300 in relation to services at the end of the current reporting period. The transaction is on normal commercial terms. There were no trade receivables from or trade payables to related parties at the previous reporting date.

Loans to/from related parties
There were no balances outstanding at the current or previous reporting date in relation to loans with related parties.

27. Parent entity information

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

Statement of profit or loss and other comprehensive income

	Parent	
	2014	2013
	$	$
Loss after income tax	(2,398,246)	(721,400)
Total comprehensive income	(2,398,246)	(721,400)

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

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

Statement of financial position

	Parent	
	2014	2013
	$	$
Total current assets	14,103,672	12,457,004
Total assets	67,973,567	36,242,811
Total current liabilities	1,136,651	727,088
Total liabilities	1,578,695	1,464,588
Net Assets	66,394,872	34,778,223
Equity		
Issued capital	70,188,628	36,854,151
Reserves	66,744	(613,674)
Accumulated losses	(3,860,500)	(1,462,254)
Total equity	66,394,872	34,778,223

28. Business combinations

Livelifedrive.com

On 7 January 2013, the group entered into an agreement to acquire 100% of DQBP Sdn Bhd, owner of the website and magazine "Live Life Drive", and the deal was completed on 8 March 2013. The total potential consideration was MYR 6.5 million being MYR 3 million in cash and MYR 3.5 million is shares. The directors consider that MYR 1 million performance based consideration is unlikely to be achieved and paid. Out of the balance of MYR 5.5 million, (approximately AUD 1.8 million), MYR 1.7 million, (approximately AUD 0.5 million), was paid in cash and shares on completion and MYR 3.8 million, (approximately AUD 1.3 million) was payable subject to meeting certain performance targets and warranty periods. During the year MYR 1.8 million (approximately AUD 0.6 million) was paid in cash and shares. A further MYR 2.0 million (approximately AUD 0.7 million) is due to be paid in 2015.

The accounting for this acquisition has been finalised and the MYR 5.5 million (AUD 1.8 million) estimated consideration has been accounted for as goodwill. Goodwill is attributable to revenue growth and increased customer engagement. As at the balance sheet date, goodwill had been revalued for changes in foreign exchange rates.

The acquisition of livelifedrive.com, the fastest growing automotive site in Malaysia, enabled the Group to access content and vehicle specification data in Malaysia to grow both new car and used car markets, plus in-depth market information to further increase leads as the number 1 digital automotive market place in Malaysia.

The accounting for this acquisition was finalised in the current year.

Thaicar.com

On 4 February 2013, the group entered into an agreement to acquire 100% of Thaicar.com and the deal was completed on 8 March 2013. The total consideration was $400,000, 100% payable on completion of the sale and purchase agreement, comprised of $200,000 in cash and $200,000 in iCar Asia shares.

The accounting for this acquisition has been finalised and the consideration of $400,000 has been accounted for as goodwill. As at the balance sheet date, the goodwill has been revalued for changes in foreign exchange rates.

The acquisition of Thailand's number 2 automotive classified sites was a critical step to enter the automotive classified market in Thailand. Coupled with the Group’s leading automotive content site, autospinn.com, it places the Group as the leading digital automotive market place in Thailand.

The accounting for this acquisition was finalised in the current year.

One2car.com

On the 10 November 2014 the group entered into agreements to acquire 100% of One2Car Co Ltd, the owner of the website One2car.com and the transaction was completed on 11th December 2014. 30% of the shares were acquired directly and 70% via two holding companies: O2C Holdings (Thailand) Co. Ltd and Perfect Scenery Ventures Limited. One2Car is the dominant digital classified site in Thailand delivering more than 80% of leads to used car dealers. The acquisition of One2car.com allows the Group to develop a market-leading position in the online automotive space in Thailand alongside its other local assets: Austospinn.com and Thaicar.com.

The total consideration was Thai Baht 500 million, equivalent to AUD 18,097,925 in a mixture of cash and shares. Equivalent AUD 14,085,371 was paid in cash and equivalent AUD 3,036,944 in iCar Asia shares in December 2015. Thai Baht 26,000,000, equivalent to AUD 975,610 was deferred to after the year end and was paid on January 22 2015. The latter payment was made directly to staff of One2car.com as mandated under the Share Sale Agreement.

The fair value of the shares at completion was $0.90 and this amount has been used to calculate the consideration transferred.

The acquisition was funded by a placement to existing investors of new fully paid ordinary shares in iCar Asia Limited at an issue price of $1.10 per new share. The placement was completed on 12 November 2014 and raised $21,000,000, before costs of $1,039,122.

28. Business combinations (continued)

The performance of One2Car is consolidated into the results of the group from 12 December 2014.

The goodwill on the acquisition arises from the value that can be extracted from the assets from:

- synergies with the Group's existing Thai assets
- sharing the skills and experience of the Group
- through increased investment in technology and sales capability with the Group's superior access to capital

A purchase price allocation process has been undertaken allocating the consideration as follows:

	$
Brand	2,162,528
Customer base	1,329,572
Net assets	59,993
Goodwill	14,545,832
Total	18,097,925

Representing	$
Cash paid to vendor	14,085,371
Deferred consideration	975,610
iCar Asia Limited shares issued to vendor	3,036,944
Total	**18,097,925**

The life of the Brand Intangible assets is indefinite as it is the intention of the Group to always operate the One2car.com brand due its market reputation and high levels of unpaid online traffic.

The Customer base Intangible asset has a life of 6 years reflecting the historical customer churn.

One2car.com will be integrated with the existing Group Thailand assets (Autospinn.com and Thaicar.com) and will not generate separate cashflows. The goodwill and intangible assets have been allocated to the Thailand CGU.

The net assets acquired are as follows and are at fair value:

Assets	$
Cash	224,894
Trade Receivable and other receivable	223,660
Fixed Asset	97,559
Non-current assets	16,036
	562,149
Liabilities	
Trade and other payables	399,224
Non-current liabilities	102,932
	502,156
Net Assets	**59,993**

One2Car.com generated $90,159 of revenue and $1,540 of net loss in the period from acquisition (11 December 2014) to the end of the 2014 financial period. If One2Car.com had been a consolidated entity for the full year the revenue generated would have been $1,517,571 and net profit for the period would have been $59,610.

28. Business combinations (continued)

Payments for purchase of subsidiaries net of cash acquired

The total cash flows in relation to the purchased of subsidiaries is outlined below:

	$
Deferred Consideration in relation to Livelifedrive.com	304,322
Payment in relation to acquisition of One2Car.com	14,085,371
Cash in One2Car.com business in acquisition	(224,894)
	14,164,799

The gross and fair value of the trade receivables acquired amounted to $223,600. None of the trade receivables were subsequently impaired.

Acquisition-related costs of $167,000 have been included in the administration expense in the Statement of Comprehensive Income and in operating cash flows in the Statement of Cash Flows.

The accounting goodwill is provisional and the initial accounting is not complete due to proximity of completion to reporting date and the accounting is expected to be finalised by June 2015.

29. 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:

		Equity holding	
	Country of	2014	2013
Name of entity	incorporation	%	%
iCar Asia Pte Ltd	Singapore	100	100
Netyield Sdn Bhd	Malaysia	100	100
iCar Asia Sdn Bhd	Malaysia	100	100
PT Mobil Satu Asia	Indonesia	100	100
iCar Asia (Thailand) Limited *	Thailand	100	100
DQBP Sdn Bhd	Malaysia	100	100
O2C Holdings (Thailand) Co. Ltd	Thailand	100	-
Perfect Scenery Ventures Limited	British Virgin Islands	100	-
One2Car Co., Ltd	Thailand	100	-

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

30. Events after the reporting period

On 22 January 2015 the Group announced and performed a restructure of its operations in Thailand in light of the purchase of One2Car.com. The restructure resulted in a number of employees leaving the business. The restructure will have an adverse impact on the 2015 Financial Year profit and loss of circa $300,000. The restructure removed duplicated functions and Management believe this provides the Thai operations with an appropriate cost base to enhance shareholder value in the long-term. Please refer to note 28.

No other matter or circumstance has arisen since 31 December 2014 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

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

	Consolidated 2014 $	Consolidated 2013 $
Loss after income tax expense for the year	(16,699,930)	(6,901,778)
Adjustments for:		
Depreciation and amortisation	3,803,441	312,898
Equity settled employee benefit	924,694	729,500
Change in operating assets and liabilities:		
Increase in trade and other receivables	(512,789)	(285,264)
Increase in other operating assets	(39,136)	(495,677)
Increase in trade and other payables	809,416	611,404
Increase in employee benefits	560,711	406,874
Net cash used in operating activities	(11,153,593)	(5,622,043)

32. Earnings per share

	Consolidated 2014 $	Consolidated 2013 $
Loss after income tax attributable to the owners of iCar Asia Limited and Controlled Entities	(16,699,930)	(6,901,778)
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	193,284,054	168,417,797
Weighted average number of ordinary shares used in calculating diluted earnings per share	193,284,054	168,417,797
	Cents	**Cents**
Basic earnings per share	(8.64)	(4.10)
Diluted earnings per share	(8.64)	(4.10)

33. Share-based payments

Short-term and Long-term incentives

Short term incentive plan (STI)

Short-term incentives are used to reward staff based on performance on a year by year basis. Rewards are made to participating key employee depending on the extent to which specific targets set at the beginning of the period are met. The targets relate to the earnings of the company and achievement of other KPIs aligned to the individual's specific business function. The percentage and threshold level can differ for each individual and are reviewed each year. Payments are made in the form of cash and shares. Shares are issued at the VWAP for the year. Benefits are pro-rated where employees join during an STI year. It is intended that key employees of the Group will be eligible to participate in the STI program.

33. Share-based payments (continued)

Long term incentive plan (LTI)

The Group has established a long term incentive plan (referred to hereafter as the 'Plan'). The Plan is part of the Group's remuneration strategy and is designed to align the interests of management and shareholders and assist the Group in the attraction, motivation and retention of executives. In particular, the Plan is designed to provide relevant executives with an incentive for future performance and encouraging those executives to remain with the Group. LTI payments are made to participating key employee depending on the extent to which specific targets set at the beginning of the plan are met. The targets relate to the earnings of the company, achievement of other KPIs aligned to the individual's specific business function and staff remaining in employment. Payments are made in the form of shares in the Group that are issued 2 years and 3 months after the end of the year to which they refer. The shares are issued at a VWAP for the period that the KPIs are set. For example: for the 2014 reporting period, the plan is payable in March 2017 based on the VWAP during the 2014 year. Benefits are pro-rated where employees join during a Plan year. It is intended at this stage that only key executives of the Group will be eligible to participate in the Plan. No shares have yet been issued under the Plan.

Performance targets

Performance targets for key management personnel are based upon an entry 'gate' of overall company performance at EBITDA and then individual performance is assessed against KPIs specific to the individual's business responsibilities. For the CFO, KPIs include closing cash balance and reporting delivery. For the CIO, KPIs include delivery of technology improvements and the performance of the internet sites. CEO KPIs include those allocated to the CFO and CIO.

Employee share rights plan

There is no share rights plan in existence. There were no options issued or exercised during the period ended 31 December 2014. There are no outstanding options in iCar Asia shares.

Directors Remuneration

The Directors are remunerated in shares with no vesting requirements. The fair value of the share is deemed to be the value outlined on their Director contracts with the Group and is expensed in the profit and loss on an accrual basis. See the Remuneration Report within the Directors' Report.

Issue of shares

Details of shares issued to directors and other key management personnel as part of compensation during the year ended 31 December 2014 are set out below:

Name	Date	No of shares	$Fair Value[3]
Patrick Grove[1]	10/6/2014	91,686	60,000
Lucas Elliott[1]	10/6/2014	73,349	48,000
Shaun Di Gregorio	10/6/2014	73,349	48,000
Mark Britt	10/6/2014	73,349	48,000
Cameron McIntyre[2]	10/6/2014	54,258	35,507
Nick Geddes	10/6/2014	31,349	20,515
Damon Rielly	11/4/2014	348,308	372,690
Joey Caisse	11/4/2014	195,245	208,912

[1] Shares allocated to the Director were issued to Catcha Media Pte Ltd.
[2] Shares allocated to the Director were issued to carsales.com Limited.
[3] For Executive KMP, fair value reflects issue price 28 February 2014 when the Group and Executive agree to a share based payment arrangement.

In the directors' opinion:

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

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

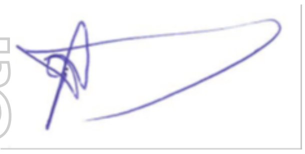
- the attached financial statements and notes thereto give a true and fair view of the consolidated entity's financial position as at 31 December 2014 and of its performance for the financial year ended on that date; and

- 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



Patrick Grove
Chairman

25 February 2015
Kuala Lumpur

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Independent auditor's report to the members of iCar Asia Limited

Report on the financial report

We have audited the accompanying financial report of iCar Asia Limited, which comprises the consolidated statement of financial position as at 31 December 2014, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' responsibility 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 controls as the directors determine are necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit we have complied with the independence requirements of the *Corporations Act 2001*. We have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is included in the directors' report.

Opinion

In our opinion:

a. the financial report of iCar Asia Limited is in accordance with the *Corporations Act 2001*, including:

   i giving a true and fair view of the consolidated entity's financial position as at 31 December 2014 and of its performance for the year ended on that date; and

   ii complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and

b. the financial report also complies with *International Financial Reporting Standards* as disclosed in Note 2.

Report on the remuneration report

We have audited the Remuneration Report included in pages 10 to 18 of the directors' report for the year ended 31 December 2014. 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.

Opinion

In our opinion, the Remuneration Report of iCar Asia Limited for the year ended 31 December 2014 complies with section 300A of the *Corporations Act 2001*.

Ernst & Young

D. R. McGregor
Partner
Melbourne
25 February 2015

Corporate governance statement

The following statement sets out the governance framework adopted by the iCar Board.

Approach to Governance

In relation to Corporate Governance, the Board seeks to embrace those principles and practices that are relevant and appropriate to the size and stage of development of the Company.
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Compliance with Corporate Governance Codes

As the Company is listed on ASX, it is required by ASX Listing Rule 4.10.3 to disclose the extent to which it has followed the recommendations set by the ASX Corporate Governance Council during the reporting period.
The ASX Corporate Governance Council recommendations are contained in the 2nd edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (ASX CGP). These principles were last updated in June 2010; however the latest (3rd edition) was published during 2014 and will apply to the Company with effect from 1 January 2015.

With the following exceptions the Company has adhered to the ASX Corporate Governance Principles and Recommendations:

- there is not presently a majority of independent directors on Board (Recommendation 2.1)
- the Chairperson of iCar is not independent (Recommendation 2.2)
- There is not presently a majority of independent directors on the Audit & Risk Committee, (Recommendation 4.2) AND on the Remuneration & Nomination Committee (Recommendation 8.2)
- the Chairs of the Audit & Risk and of the Remuneration & Nomination Committee are not independent Directors (Recommendation 8.2)

Other than these instances, the Company has adopted the recommendations of the ASX Corporate Governance Council.

1. Board of Directors- Role and Responsibilities

The Board is responsible for the overall corporate governance of iCar. The Board monitors the operational and financial position and performance of iCar and oversees its business strategy including approving the strategic goals of iCar. The Board is committed to maximising performance, generating appropriate levels of Shareholder value and financial return, and sustaining the growth and success of iCar. In conducting business with these objectives, the Board is concerned to ensure that iCar is properly managed to protect and enhance Shareholder interests, and that iCar, its Directors, officers and employees operate in an appropriate environment of corporate governance. Accordingly, the Board has created a framework for managing iCar including adopting relevant internal controls, risk management processes and corporate governance policies and practices which it believes are appropriate for iCar's business and which are designed to promote the responsible management and conduct of iCar.

The Board of Directors of iCar Asia has taken into account its size and activities in the development of the framework.

2. Board of Directors - Compositions, Structure and Process

The Board has an appropriate blend of skills and experience and is of an appropriate size to adequately discharge its responsibilities and duties given the current size, scale and nature of the Company's activities. Details of the Directors are included in the Directors' Report.

2.1 Skills, knowledge and experience
Directors are appointed based on the specific corporate, technical and governance skills and experience required by the Company. The Board includes Directors with a relevant blend of experience in accounting and finance, law, financial and investment markets, financial management and public company administration, and director-level business or corporate experience.

2.2 Non-Executive Directors

All Directors are Non-Executive Directors.

2.3 Chairman and Chief Executive Officer

The Chairman leads the Board and has responsibility for ensuring the Board receives accurate, timely and clear information to enable Directors to perform their duties as a Board.

The Chief Executive Officer of the Company was appointed on 1 June 2012 and is responsible for and accountable to the Board for the Company's management.

2.4 Company Secretary

The Company Secretary is appointed by the Board and is responsible for developing and maintaining the appropriate governance systems and processes for the Board to fulfil its role and is responsible to the Board for ensuring compliance with Board procedures and governance matters. The Company Secretary is also responsible for overseeing and coordinating disclosure of information to the ASX as well as communicating with the ASX. The Company Secretary is Nick Geddes FCA FCIS.

2.5 Committees of the Board

To assist in the execution of its corporate governance responsibilities, the Board has two committees: the Audit & Risk Committee and the Remuneration & Nomination Committee. When appropriate, special board committees may be appointed to address specific issues. Requirements for Board committees are reviewed regularly by the Board. All committees operate principally in a review or advisory capacity, except in cases where powers are expressly conferred on or delegated to a committee by the Board.

2.5.1 Audit & Risk Committee

The Board has established an Audit & Risk Committee that operates under a charter approved by the Board. It is the Board's responsibility to ensure that an appropriate and effective internal control framework exists within the entity.

The system of internal control is designed to safeguard assets, ensure the maintenance of proper accounting records, monitoring of risks and the reliability of financial information as well as non-financial considerations such as the benchmarking of operational key performance indicators. The Board has delegated the responsibility for the establishment and maintenance of a framework of internal control and ethical standards for the management of the economic entity to the Audit & Risk Committee. That Committee also provides the Board with additional assurance regarding the reliability of financial information for inclusion in the financial statements.

The members of the Audit & Risk Committee are Cameron McIntyre (Chair), Shaun Di Gregorio, Lucas Elliott and Mark Britt. Full details and qualifications of the members are contained in the Directors' Report.

The members are experienced in executive management, public company management and finance. The Chair of the Audit & Risk Committee is not the Chairman of the Board. The external auditors, the CEO and CFO are invited to Audit & Risk Committee meetings at the discretion of the Committee. The number of meetings of the Committee during the year and Committee members' attendance is set out in the Directors' Report.

The Audit & Risk Committee is also responsible for directing and monitoring the internal audit function (if appointed), nomination of the external auditor, monitoring the independence of the external auditor and reviewing the adequacy of the scope and quality of the annual statutory audit or review. In the absence of an internal; auditor, the Audit & Risk Committee relies on the systems of internal check control and on the work of the external auditor. Given the relatively small size of the Company it is not considered appropriate that an internal auditor be appointed at present. The Committee reviews the performance of the external auditors on an annual basis.

2.5.2 Remuneration & Nomination Committee

The Remuneration & Nomination Committee is responsible for reviewing the remuneration of Directors and senior management and evaluation of senior management, making recommendations to the Board on these matters. This role also includes responsibility for recommendations to the Board on share and option schemes, incentive performance packages, superannuation entitlements, composition of the Board and the process and criteria for selection of new directors. The Committee also has the responsibility to oversee the Company's general remuneration strategy.

Remuneration levels are competitively set to attract the best qualified and experienced Directors and key management personnel appropriate to the size and stage of development of the Company. The Committee is authorised to obtain independent advice on the appropriateness of remuneration packages.

Details of the amount of remuneration, and all monetary and non-monetary components, for each of the 3 highest -paid (non-Director) key management personnel and all Directors during remuneration report included in the Directors' Report. Termination entitlements for key management personnel, if any, are also contained in the report.

The Remuneration & Nomination Committee is responsible for identifying qualified individuals for appointment to the Board. In identifying candidates, the Remuneration & Nomination Committee will have regard to the selection criteria set out in the board appointment process, which will include:

- skills, expertise and background that add to and complement the range of skills, expertise and background of the existing directors;
- diversity; and
- the extent to which the candidate would fill a present need on the Board

Whilst skills such as leadership and previous experience as a chief executive, chair or board member of a large organisation with international operations have traditionally been prerequisites to appointment as a director, the Board recognises that other skills gained from experience in the following areas are key skills and experience which the Board as a whole should comprise:

- marketing and sales;
- policy and regulatory development and reform
- health, safety and environment and social responsibility and
- human resources

Remuneration levels are competitively set to attract the best qualified and experienced Directors and key management personnel appropriate to the size and stage of development of the Company. The Committee is authorised to obtain independent advice on the appropriateness of remuneration packages. Non-Executive Directors are remunerated by way of fees and shares, and are not provided with retirement benefits.

2.6 Independence

An independent Director, in the view of the Company, is a Non-Executive Director who:

- is not a substantial shareholder of the Company or an employee of, or otherwise associated directly with, a substantial shareholder of the Company;
- has not previously been employed in an Executive capacity by the Company, or been a Director after ceasing to hold any such employment;
- within the last three years has not been a principal of a professional adviser or a consultant to the Company to a material extent, or an employee of a significant service provider;
- Is not a material supplier or customer of the Company, or an officer of or otherwise associated directly or indirectly with a material supplier or customer;

- Has no material contractual relationship with the Company other than as a Director of the Company;
- Has not served on the Board for a period which could, or could reasonably be perceived to, materially interfere with the Director's ability to act in the best interests of the Company; and
- Is free from any interest and any business or other relationship that could, or could reasonably be perceived to, materially interfere with the Director's ability to act in the best interests of the Company.

The size of the Board will be reviewed periodically and if the Company's activities increase in size, nature and scope the composition and size of the board will be reviewed.

2.7 Conflicts of Interest

To ensure that Directors are at all times acting in the interests of the Company, Directors must:

- Disclose to the Board actual or potential conflicts of interest that may or might reasonably be perceived to exist between the interests of the Director and the interests of any other parties in carrying out the activities of the Company; and
- If requested by the Board, within seven days or such further period as may be determined by the Board, takes such necessary and reasonable steps to remove any conflict of interest.

If a Director cannot or is unwilling to remove a conflict of interest then the Director must, as required by the Corporations Act, absent himself or herself from the room when the conflicted matter is being discussed and/or when voting occurs, save with the approval of the remaining Directors and subject to the Corporations Act.

2.8 Related Party Transactions

Related party transactions include any financial transaction between a Director and the Company as defined in the Corporations Act or the ASX Listing Rules. Unless there is an exemption under the Corporations Act from the requirement to obtain shareholder approval for the related party transaction, the Board cannot approve the transaction. The Company also discloses related party transactions in its financial report as required under relevant Accounting Standards.

2.9 Share Dealings & Disclosures

The Company's Share Trading Policy, which was reviewed by the Board during 2014, regarding Directors, Executives and employees dealing in its securities, is set by the Board and complies with ASX Listing Rules Chapter 12. The Board restricts Directors, Executives and employees from trading in Company securities except during trading windows and in any event when in possession of price sensitive information until it has been released to the market and adequate time has been given for this to be reflected in the security's prices. Executives, employees and Directors are required to obtain approval from either the CEO/Managing Director or Chairman prior to dealing in securities in the Company or other companies in which the Company has a relationship. The policy outlines the exceptional circumstances during which trading may take place during a blackout period and sets rules for “passive trading”.

Dealings are not permitted at any time whilst in the possession of price sensitive information not already available to the market. In addition, the Corporations Act prohibits the purchase or sale of securities whilst a person is in possession of inside information.

2.10 Board Nominations

The Board will consider nominations for appointment or election of Directors that may arise from time to time having regard to the skills required by the Company and procedures outlined in the Constitution and the Corporations Act.

2.11 Terms of Appointment as a Director

The current Directors of the Company have been appointed until they are either removed (which will include the circumstances where the Director is not re-elected) or when they resign. The Constitution of the Company provides that a Director may not retain office for more than three calendar years or beyond the third annual general meeting following his or her election, whichever is longer, without submitting himself or herself for re-election by shareholders. One third of the Directors must retire each year and are eligible for re-election. The Directors who retire by rotation at each annual general meeting are those with the longest length of time in office since their appointment or last election.

2.12 Performance Review and Evaluation

iCar has adopted a performance evaluation process in relation to the Board and its committees. Each year, Directors will provide written feedback in relation to the performance of the Board and its Committees against a set of agreed criteria. Each Committee of the Board will also be required to provide feedback in terms of a review of its own performance. Feedback will be collected by the chair of the Board, or an external facilitator, and discussed by the Board, with consideration being given as to whether any steps should be taken to improve performance of the Board or its Committees. The Chief Executive Officer will also provide feedback from senior management in connection with any issues that may be relevant in the context of the Board performance review. Where appropriate to facilitate the review process, assistance may be obtained from third party advisers. A review was undertaken in accordance with this process in the first quarter of 2015.

2.13 Meetings of the Board

The Board meets regularly and whenever necessary to deal with specific matters requiring attention between scheduled meetings. Circular Resolutions are also utilised when appropriate. Board meetings are held predominantly by telephone conference as Directors are resident in several countries. However, the Board convenes face to face meetings from time to time as appropriate, based on the items of business for consideration. Each member of the Board is committed to spending sufficient time to enable them to carry out their duties as a Director of the Company. It is recognised and accepted that Board members may also concurrently serve on other boards, either in an executive or non-executive capacity.

2.14 Independent Professional Advice

Subject to prior consultation with the Chairman, each Director has the right to seek independent legal and other professional advice at the Company's expense concerning any aspect of the Company's operations or undertakings in order to fulfil their duties and responsibilities as Directors.

2.15 Access to Company Information and Confidentiality

All Directors have the right of access to all relevant Company books and to the Company's Executive Management. In accordance with legal requirements and agreed ethical standards, Directors and Executives of the Company are required to keep confidential, information obtained in the course of the exercise of their duties and will not disclose non-public information except where disclosure is authorised or legally mandated.

2.16 Nomination of new Directorships

The primary vehicle for the effective management of director nominations is the Remuneration & Nomination Committee appointed by the Board.

The responsibilities assumed by the Remuneration & Nomination Committee include:

- review and recommend arrangements for the executive directors (if any) and the executives reporting to the Chief Executive Officer, including contract terms, annual remuneration and participation in the Company’s short and long term incentive plans;
- review major changes and developments in the Company’s remuneration, recruitment, retention and termination policies and procedures for senior management;

- review major changes and developments in the remuneration policies, superannuation arrangements, personnel practices and industrial relations strategies for the Company;
- review the senior management performance assessment processes and results as they reflect the capability of management to realise the business strategy; and
- review and approve short term incentive strategy, performance targets and bonus payments.

The Board acknowledges the ASX Recommendation that a majority of the members of the Remuneration & Nomination Committee be independent. From the final quarter of the year none of the members of the Remuneration & Nomination Committee could be considered to be independent since changes to Mark Britt's employment resulted in him no longer being independent. Lucas Elliott, Shaun Di Gregorio and Cameron McIntyre are currently considered by the Board not to be independent. However, as with the Audit & Risk Committee, the Board believes that it is appropriate that each of Lucas Elliott, Shaun Di Gregorio, Cameron McIntyre and Mark Britt be appointed members of this Committee due to their skill set, experience and seniority, and that each brings objective and independent judgement to the Committee's deliberations.

2.17 Director's deeds

The Company has also entered into a Deed of Indemnity, Insurance and Access with each of the Directors and senior officers to regulate certain matters between the Company and each Director, both during the time the Directors hold office and after the Director ceases to be an officer of the Company (or wholly owned subsidiaries).

3. Remuneration Policy

The fees and emoluments paid to Directors are approved in advance by Shareholders. The salary and emoluments to be paid to officers will need prior approval by the Remuneration & Nomination Committee. Consultants will be engaged as required pursuant to Consultancy Service Agreements. The Company will ensure that fees, salaries and emoluments will be in line with general standards for publicly listed companies of the size and type of the Company and that they will not be excessive. All salaries of Directors and senior executives will be disclosed in the Remuneration Report of the Company each year.

4. Diversity

The 2010 amendments to the ASX Corporate Governance Guidelines Principles and Recommendations included amendments that seek to address diversity concerns, in particular, the under-representation of women on boards and in senior management.

The Company recognises that people are its most important asset and is committed to the maintenance and promotion of workplace diversity.

Diversity drives the Company's ability to attract, retain and develop the best talent, create an engaged workforce, deliver the highest quality services to its customers and continue to grow the business.

In addition to business policies, practices and behaviours that promote diversity and equal opportunity and create an environment where individual differences are valued the Board adopted a Diversity policy in July 2012. This policy set out minimum expectations to be met by the Group on workforce diversity. A copy of the Policy is available on the Investor Relations – Corporate Governance section of the Group's website: www.icarasia.com. The strategies outlined below aim to achieve the objectives of this Policy by:

- setting measurable objectives relating to gender at all senior management and leadership levels;
- broadening the field of potential candidates for senior management and board appointments; and
- increasing the transparency of the board appointment process.

The Remuneration & Nomination Committee is responsible for the development and succession planning process for the Chief Executive Officer (CEO) and the CEO's direct reports. In discharging this responsibility, the Remuneration & Nomination Committee will have regard to diversity criteria.

The breakdown of directors and employees by gender is as follows:

2014

Proportion of female to male employees at iCar as at 31 December 2014				
iCar Asia	Board	Senior Executive	Manager	Employee
Female	0%	0%	42%	32%
Male	100%	100%	58%	68%

The Board has set a number of objectives under the Policy, namely to:

- address the lack of gender diversity on the Board. There is a 2017 target of 15% of the board being female directors
- continue to work to develop a balanced ratio of female management
- optimise local talent in senior management and the workforce in established international markets; and
- establish an effective measurement and reporting framework. The Policy objectives, and the Group's progress in achieving them, will be assessed on an annual basis.

5. Code of Conduct and Ethical Standards

The Company has adopted a formal Code of Conduct that guides compliance with all levels of legal and other obligations to stakeholders. The Code is focused on ensuring that all Directors, Executives, and employees act with the utmost integrity and objectivity in carrying out their duties and responsibilities, striving at all times to enhance the reputation and performance of the Company.

6. Internal Control and Risk Management

The Board is responsible for the identification, monitoring and management of significant business risks and the implementation of appropriate levels of internal control, recognising however that no cost effective internal control system will preclude all errors and irregularities. The Board regularly reviews and monitors areas of significant business risk and has established a separate Audit & Risk Committee which is governed by a separate Board Charter.

The Board receives regular reports from management about the financial condition and operational results of the Company. The Board has also received written assurances from the Chief Executive Officer and Chief Financial Officer that to the best of their knowledge and belief:

- The Company's financial statements present a true and fair view of the Company's financial condition and operational results and comply with relevant accounting standards; and
- The risk management and internal compliance and control systems are sound, appropriate and operating effectively and implement the policies adopted by the Board.

The Board and management undertake annual reviews on the Company's strategic and operational risks as part of its annual strategic and budget process. Divisional heads are encouraged to provide their inputs at such annual reviews. This process allows the Board to have a better understanding of the overall industry risks and opportunities in which the Company operates.

The Company has identified the following possible business risks which the Company believes to be inherent in the industry in which the Company operates:

- Fluctuations in exchange rates
- Political stability risk in some of the countries of operation
- Interest rate risk
- Stability of internet infrastructure
- Risk of penetration of internal systems by unauthorised persons
- Changes in local government regulations
- Increased cost of operation including employment costs
- Retention of key employees
- Fluctuations in traffic
- Cyclical car market due to general market outlook for economic growth and interest rates
- Force majeure event

The above risks are provided to assist investors to better understand the nature of the risks faced by the Company and the industry in which the Company operates. They are not necessarily an exhaustive list.

Management regularly undertakes reviews of its risk management procedures which include implementation of a system of internal sign-offs to ensure not only that the Company complies with its legal obligations but that the Board, and ultimately shareholders, can take comfort that an appropriate system of checks and balances is in place regarding those areas of the business which present financial or operating risks.

7. Communications to Market and Shareholders

The Board recognises its duty to ensure that its shareholders are informed of all major developments affecting the Company's state of affairs and has adopted a Shareholder Communication Policy. The Policy provides that information will be communicated to shareholders and the market through:

- The Annual Report which is distributed to shareholders;
- The Annual General Meeting and other general meetings called to obtain shareholder approvals as appropriate;
- The Half-Yearly Directors' and Financial Reports;
- Quarterly Report for Entities admitted on the basis of commitments;
- Other announcements released to ASX as required under the continuous disclosure requirements of the ASX Listing Rules and other information that may be mailed to Shareholders.

The Company will actively promote communication with shareholders through a variety of measures, including the use of the Company's website. The Company's reports and ASX announcements will be available for viewing and downloading from its website: www.icarasia.com or the ASX website: www.asx.com.au under ASX code "ICQ".

8. Continuous Disclosure to ASX

The Board has adopted a Continuous Disclosure Policy and has designated the CEO, CFO or Company Secretary as the persons responsible for overseeing and coordinating disclosure of information to the ASX as well as communicating with the ASX.

In accordance with the ASX Listing Rules, the Company will notify the ASX promptly of information:

Concerning the Company that a reasonable person would expect to have a material effect on the price or value of the Company's securities; and

That would, or would be likely to, influence persons who commonly invest in securities in deciding whether to acquire or dispose of the Company's securities.

Compliance with The ASX Corporate Governance Principles and Recommendations

The extent to which iCar has followed the ASXCGPR is as follows:

PRINCIPLE 1: LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT	Compliance	Corporate Governance Statement (CGS) References/Comments
1.1 Formalise and disclose the functions reserved to the Board and those delegated to management.	Yes	1,2
1.2 Formalise and disclose the process for evaluating the performance of management.	Yes	2.12
1.3 Provide the information indicated in the Guide to reporting on Principle 1.	Yes	Annual Report Website CGS
PRINCIPLE 2: STRUCTURE THE BOARD TO ADD VALUE		
2.1 A majority of the Board should be independent directors.	No	The current members of the Board have the relevant and appropriate mix of skills and experience to perform the Board's functions and responsibilities.
2.2 The Chairperson should be an independent director	No	The Chairman is not independent as a consequence of his being a substantial shareholder in the company. This has not impeded his ability to effectively chair the board.
2.3 The roles of Chairperson and chief executive officer should not be exercised by the same individual	Yes	2.3
2.4 The Board should establish a nomination committee	Yes	2.5.2
2.5 Formalise and disclose the process for evaluating the performance of the Board, its committees and individual directors	Yes	2.12
2.6 Provide the information indicated in Guide to reporting on Principle 2.	Yes	Annual Report Website CGS
PRINCIPLE 3: PROMOTE ETHICAL AND RESPONSIBLE DECISION-MAKING		
3.1 Establish a Code of Conduct to guide the directors, the chief executive officer (or equivalent), the chief financial officer (or equivalent) and any other key executives as to: 3.1.1 The practices necessary to maintain confidence in the Company's integrity.	Yes	5

	3.1.2 The practices necessary to take into account their legal obligations and the reasonable expectations of their stakeholders 3.1.3 The responsibility and accountability of individuals for reporting and investigating reports of unethical practices.		
3.2	Establish a policy concerning diversity and disclose that policy or a summary .	Yes	4 Website
3.2a	Disclose the policy concerning trading in Company Securities by Directors, officers and employees	Yes	2.9 Website
3.3	Disclose in each annual report the measurable objectives for achieving gender diversity and progress towards achieving them.	Yes	4
3.4	Disclosure in each annual report the proportion of women in the whole organisation, women in senior executive positions and women on the board.	Yes	4
3.5	Provide the information indicated in Guide to reporting on Principle 3.	Yes	Annual Report Website CGS
PRINCIPLE 4: SAFEGUARD INTEGRITY IN FINANCIAL REPORTING			
4.1	The Board should establish an audit committee	Yes	2.5.1,6
4.2	Structure the audit committee so that it consists of: 4.2.1 Only non-executive directors. 4.2.2 A majority of independent directors. 4.2.3 An independent chairperson, who is not chairperson of the board. 4.2.4 At least three members	Yes No No Yes	2.5.1,
4.3	The audit committee should have a formal charter.	Yes	2.5.1
4.4	Provide the information indicated in the Guide to reporting on Principle 4.	Yes	Annual Report Website CGS

PRINCIPLE 5: MAKE TIMELY AND BALANCED DISCLOSURE		
5.1 Establish written policies and procedures designed to ensure compliance with ASX Listing Rule disclosure requirements and ensure accountability at a senior management level for that compliance.	Yes	CGS
5.2 Provide the information indicated in the Guide to reporting on Principle 5.	Yes	Annual Report Website CGS
PRINCIPLE 6: RESPECT THE RIGHTS OF SHAREHOLDERS		
6.1 Design and disclose a communications strategy for promoting effective communication with shareholders and encouraging participation at general meetings.	Yes	7
6.2 Provide information indicated in the Guide to reporting on Principle 6.	Yes	Annual Report Website CGS
PRINCIPLE 7: RECOGNISE AND MANAGE RISK		
7.1 The Board or appropriate Board committee should establish and disclose policies on risk oversight and management.	Yes	2.5.1,6
7.2 Management to design and implement a risk management and internal control system to manage the Company's material business risks. The Board to disclose that management has reported to the Board in writing that: • The Company's risk management and internal compliance and control system is operating efficiently and effectively in all material respects.	Yes	6
7.3 The Board to disclose that the chief executive officer (or equivalent) and the chief financial officers (or equivalent) have provided to the board in writing that: • The declaration provided in accordance with Section 295A of the Corporations Act is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.	Yes	Annual Report

7.4	Provide the information indicated in Guide to reporting on Principle 7.	Yes	Annual Report Website CGS
PRINCIPLE 8: REMUNERATE FAIRLY AND RESPONSIBLY			
8.1	The Board should establish a remuneration committee.	Yes	2.5.2
8.2	It should consist of a majority of independent directors Be chaired by an independent director Have at least 3 members	No No Yes	CGS
8.3	Clearly distinguish the structure of non-executive directors' remuneration from that of executive directors and senior executives.	Yes	Annual Report
8.4	Provide the information indicated in Guide to reporting on Principle 8.	Yes	Annual Report Website CGS

The shareholder information set out below was applicable as at 31 December 2014.

ASX Listing Rule 4.10.19

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

Distribution of equitable securities

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

	Total holders of ordinary shares	Units
1 to 1,000	308	197,110
1,001 to 5,000	932	2,853,953
5,001 to 10,000	579	4,703,069
10,000 to 100,000	898	25,884,478
100,001 and over	90	184,131,046
	2,807	217,769,656
Holding less than a marketable parcel	73	13,386

Equity security holders

Twenty largest quoted equity security holders

The names of the twenty largest security holders of quoted equity securities are:	Ordinary shares Number held	Ordinary shares % of total shares issued
CATCHA MEDIA BERHAD	52,500,000	24.11
CARSALES COM LIMITED	44,197,239	20.30
CATCHA GROUP PTE LTD	17,759,219	8.16
J P MORGAN NOMINEES AUSTRALIA LIMITED	8,637,412	3.97
NATIONAL NOMINEES LIMITED	8,406,116	3.86
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	7,365,649	3.38
CITICORP NOMINEES PTY LIMITED	6,580,779	3.02
AUSTRALIAN FOUNDATION INVESTMENT COMPANY LIMITED	4,154,649	1.91
MR TEERAWAT PHONGADULYASOOK	2,847,580	1.31
MIRRABOOKA INVESTMENTS LIMITED	2,600,000	1.19
CITICORP NOMINEES PTY LIMITED <COLONIAL FIRST STATE INV A/C>	1,666,960	0.77
HSBC CUSTODY NOMINEES (AUS) LIMITED <NT-COMNWLTH SUPER CORP A/C>	1,623,057	0.75
MR MICHAEL STEWART BUNKER	1,250,000	0.57
UBS NOMINEES PTY LTD	1,203,143	0.55
MR ROD BRANDENBURG	1,148,100	0.53
BNP PARIBAS NOMS PTY LTD <DRP>	1,130,459	0.52
BRISPOT NOMINEES PTY LTD <HOUSE HEAD NOMINEE NO 1 A/C>	1,118,246	0.51
MEDER PTY LTD <OWN INVESTMENT A/C>	1,110,000	0.51
MR DAMON SHAY RIELLY	1,061,914	0.49
MR SHAUN ANTONY DI GREGORIO	782,800	0.36
	167,143,322	**76.75**

Unquoted equity securities

There are no unquoted shares held in escrow.

Substantial holders

The names of the security holders holding greater than 20% of quoted equity securities are:	**Ordinary shares**	
	Number held	**% of total shares issued**
CARSALES COM LIMITED	44,197,239	20.30
CATCHA GROUP PTE LTD	70,430,300	33.18
	114,627,539	**53.48**

Voting rights

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

Ordinary shares

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

There are no other classes of equity securities.

Directors	Patrick Grove (Chairman) Lucas Elliott Shaun Di Gregorio Mark Britt Cameron McIntyre Ajay Bhatia
Group Chief Executive Officer	Damon Rielly Damon.Rielly@icarasia.com
Group Chief Financial Officer	Joe Dische Joe.Dische@icarasia.com
Registered office	Suite 806 Level 8 70 Pitt Street Sydney NSW 2000 Australia Tel. +61 (2) 9239 0277 Fax. +61 (2) 9233 4477
Principal place of business	A-30-13 Tower A Level 30 Menara UOA Bangsar No. 5 Jalan Bangsar Utama Bangsar 59000 Kuala Lumpur, Malaysia Tel. +60 (3) 2776 6000 Fax. +60 (3) 2776 6010
Share register	Computershare Pty Ltd Yarra Falls 452 Johnston Street Abbotsford VIC 3067 Australia www.computershare.com
Auditor	Ernst & Young 8 Exhibition Street Melbourne VIC 2000 Australia
Stock exchange listing	iCar Asia Limited and Controlled Entities shares are listed on the Australian Securities Exchange (ASX code: ICQ)
Website	www.icarasia.com