iCar Asia Limited

ACN 157 710 846

Appendix 4E

RESULTS FOR ANNOUNCEMENT TO THE MARKET

For the year ended 31 December 2017

12 months ended	Dec-17 $000	Dec-16 $000	Change
Revenues from ordinary operations	9,111	6,663	37%
Loss from ordinary activities after tax attributable to members	(13,378)	(14,999)	11%
Loss after tax attributable to members	(13,378)	(14,999)	11%
	Cents	Cents	
Loss per Share (basic & diluted)	(4.12)	(5.59)	26%
NTA per Share	5.37	7.69	(30%)

Dividends

No dividends have been paid or declared in 2017 (2016: 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 2017. 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.

iCar Asia Limited advises that its Annual General Meeting will be held on or about Friday 25 May 2018. The time and other details relating to the meeting will be advised in the Notice of Meeting to be sent to all shareholders and released to ASX immediately after despatch.

In accordance with the ASX Listing Rules, valid nominations for the position of director are required to be lodged at the registered office of the Company by 5:00pm (AEST) 23 March 2018.

For and on behalf of the Board

Georg Chmiel
Executive Chairman
22 February 2018

iCar Asia Limited and Controlled Entities

ACN 157 710 846

Annual Report for the financial year ended 31 December 2017

Annual Report Year Ended 31 December 2017

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 2017.

Directors

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

Georg Chmiel (Executive Chairman)
Patrick Grove (Non-executive Director)
Lucas Elliott (Non-executive Director)
Mark Britt (Independent, non-executive Director) resigned 30 June 2017
Syed Khalil Ibrahim (Independent, non-executive Director)
Mark Licciardo (Non-executive Director) resigned 30 September 2017
Christopher Lobb (Non-executive Director) resigned 30 June 2017
Peter Everingham (Independent, non-executive Director) appointed 1 July 2017
Richard Kuo (Independent, non-executive Director) appointed 1 July 2017
James Olsen (Alternate Director to Lucas Elliott) appointed 1 July 2017

Information on directors

Name:	Georg Chmiel
Title:	Executive Chairman
Qualifications:	Diplom-Informatiker, MBA (INSEAD), CPA (USA), FAICD
Experience and expertise:	Mr Chmiel brings over 24 years of experience in the financial services industry, online media and real estate industry. Mr Chmiel was most recently Managing Director and CEO of iProperty Group, the owner of Asia's No. 1 network of property portal sites and related real estate services. He played a key role in finalising the sale of iProperty Group to REA Group, Southeast Asia's largest ever internet buyout. Prior to iProperty Group, Mr Chmiel was Managing Director and CEO of LJ Hooker Group with 700 offices across nine countries providing residential and commercial real estate as well as financial services.
Other current directorships:	Mitula Group, Centrepoint Alliance, Juwai Holdings Ltd
Former directorships (in the last 3 years):	iProperty Group Limited, LJ Hooker Group
Special responsibilities:	None
Interests in shares:	76,930
Interests in options:	1,011,312

Name:	Patrick Grove
Title:	Non-executive Director
Qualifications:	Bachelor of Commerce degree with a major in Accounting and Finance from the University of Sydney.
Experience and expertise:	Board member since June 2012. Mr Grove is a co-founder of the Group. Mr Grove's experience and expertise includes mergers and acquisitions and the extraction of investment value in high growth, media and technology environments. Mr Grove has built a number of significant media and internet businesses across Asia and has taken five businesses from start-up to initial public offering. He has been recognised with numerous international awards, including Global Leader of Tomorrow by the World Economic Forum (2001), New Asian Leader by the World Economic Forum (2003), Entrepreneur of the Year by the Australian Chamber of Commerce (2004), Business Week Asia's Top Entrepreneur under 40 (2008), one of Asia's Best Young Entrepreneurs by Bloomberg Businessweek (2008), and Top 50 Global Achiever (2013) by Australia Unlimited. Mr Grove holds a Bachelor of Commerce degree with majors in Accounting and Finance from the University of Sydney. Mr Grove is the Chief Executive Officer, Chairman and major shareholder of Catcha Group, one of South East Asia's most dynamic investment groups. Mr Grove is also a Director of Rev Asia Berhad, a Malaysia-listed company.
Other current directorships:	Rev Asia Berhad
Former directorships (in the last 3 years):	iProperty Group Limited, Ensogo Limited
Special responsibilities:	None
Interests in shares:	109,076,402
Interests in options:	22,185,980

Name:	Lucas Elliott
Title:	Non-executive Director
Qualifications:	Bachelor of Commerce degree with a major in Finance from the University of Sydney.
Experience and expertise:	Board member since April 2012. Mr Elliott is a co-founder of the Group. He has over 18 years of Asian online experience, with a focus on developing fast moving online business models and monetising online assets. Mr Elliott is also a co-founder of Catcha Group, where he is responsible for all aspects of Catcha Group's corporate finance activities, including mergers and acquisitions, capital raisings and public listings. Mr Elliott has a Bachelor of Commerce degree with a major in Finance from the University of Sydney. Mr Elliott is a Director Rev Asia Berhad, a Malaysia-listed company. He is also the former Director of Ensogo Limited.
Other current directorships:	Rev Asia Berhad
Former directorships (in the last 3 years):	iProperty Group Limited, Ensogo Limited
Special responsibilities:	Member of the Nomination & Remuneration Committee and member of the Audit & Risk Committee
Interests in shares:	109,076,402
Interests in options:	22,185,980

Name:	Mark Britt
Title:	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 to iflix, an Asian provider of on-demand internet streaming entertainment. Prior to founding iflix, Mark served as CEO of Nine Entertainment Co's digital arm Mi9, where he was responsible for the company's SVOD investments and portfolio of start up ventures. Mark was formerly also General Manager of Microsoft's Consumer and Online business for Asia Pacific. During his tenure with the company, Mark was instrumental in expanding Microsoft's consumer and Internet business into Southeast Asia, India, China, Japan and Korea.
Other current directorships:	None
Former directorships (in the last 3 years):	None
Special responsibilities:	Member of the Nomination & Remuneration Committee and member of the Audit & Risk Committee
Interests in shares:	755,305
Interests in options:	None

Name:	Syed Khalil Ibrahim
Title:	Independent, non-executive Director
Qualifications:	Bachelor of Commerce Majoring in Finance and Bachelor of Engineering Majoring in Mechanical Engineering (First Class Honours)
Experience and expertise:	Khalil has extensive experience in the Automotive industry and is currently the Managing Director and controlling shareholder of SISMA Auto (a dealer group representing Jaguar Land Rover and Volvo in Malaysia). He also is also a Director of Jaguar Land Rover (Malaysia), the sole importer and distributor for Jaguar Land Rover in Malaysia. Prior to that, Khalil worked with CI Holdings Berhad and Boston Consulting Group at their Sydney and New York offices.
Other current directorships:	None
Former directorships (in the last 3 years):	None
Special responsibilities:	Chairman of the Nomination & Remuneration Committee and member of the Audit & Risk Committee
Interests in shares:	1,888,661
Interests in options:	277,744

Name:	Mark Licciardo
Title:	Non-executive Director
Qualifications:	B Bus(Acc), GradDip CSP, FGIA, FAICD
Experience and expertise:	Current Company Secretary. Former Board member between December 2016 and September 2017. Founder and managing director of Mertons Corporate Services. A former company secretary of Top 50 ASX listed companies Transurban Group and Australian Foundation Investment Company Limited, his expertise includes working with boards of directors in the areas of corporate governance, administration and company secretarial. Mark is also the current Chairman of the Academy of Design Australia Limited and a former Chairman of the Governance Institute of Australia Victoria Division and Melbourne Fringe Festival. Mark is also a director of a number of public and private companies. Current ASX listed company directorships are shown below.
Other current directorships:	Mobilicom Limited, Frontier Digital Ventures Limited, Ensogo Limited
Former directorships (in the last 3 years):	None
Special responsibilities:	Company secretary
Interests in shares:	None
Interests in options:	None

Name:	Christopher Lobb
Title:	Non-executive Director
Qualifications:	FGIA, CPA, MAIC
Experience and expertise:	Former Board member between December 2016 and June 2017. Chartered Secretary for over 20 years. First held the role with Gandel Group of companies, an entity with interest in property (listed and un-listed), investment and funds management. He continued as a Company Secretary with Colonial First State, MSF Sugar Limited and GSG Limited in both listed and non-listed environments. He was a member of the National Board of Chartered Secretaries Australia (now Governance Institute of Australia) including serving as Chairman of the Victorian Division. He was also a non-executive director of Box Hill Institute of TAFE from 2005 to 2010.
Other current directorships:	None
Former directorships (in the last 3 years):	Ensogo Limited
Special responsibilities:	None
Interests in shares:	None
Interests in options:	None

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

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

Name:	James Olsen
Title:	Alternate Director to Lucas Elliott
Qualifications:	Bachelor of Commerce (Honors) from The University of Melbourne
Experience and expertise:	James is a seasoned technology corporate advisor and investor. He is the founder and Managing Director of CMB Capital, an advisor and investor to emerging technology companies. He has previously held roles in the TMET industry group at Macquarie Capital and Enterprises Division at Nine Entertainment Co (then Publishing and Broadcasting Limited) as well as investment banking roles with Citigroup and Ord Minnett Corporate Finance. James has advised major, blue chip Australian and international listed and unlisted corporations in emerging Australian and global technology businesses.
Other current directorships:	None
Former directorships (in the last 3 years):	None
Special responsibilities:	None
Interests in shares:	572,553
Interests in options:	372,553

Company Secretary

Mark Licciardo was appointed as the Group's company secretary effective 1 January 2016. His experience is outlined under 'Information on directors'.

Belinda Cleminson was appointed as the Group's joint company secretary effective 9 December 2016.

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

Dividends

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

Principal activities

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

Financial Performance

Strong revenue growth of 41% year on year (FOREX-neutral) to $9,111,498

In the year ended 31 December 2017 the Group generated $9,111,498 in revenue (2016: $6,663,394), an increase of 37% (2016: 6%). On a FOREX-neutral basis this represents year on year revenue growth of 41%.

The growth was primarily driven by the Group's core Classified and Media businesses. Incremental revenue came from the introduction of events in Malaysia and Thailand and from new streams including finance, insurance, warranty and broker services.

With a tight control over costs, operating expenses increased only 2% in the year ended 2017 to $20,937,315 (2016: $20,476,139). Of the $2,448,104 of additional revenue added in 2017, $1,986,928 (81%) flowed through to EBITDA with losses decreasing by 14% year on year to $11,825,817 (2016: $13,812,745).

As at 31 December 2017 the Group had $21,477,295 in cash, cash equivalents and investments. Following the recent capital raising initiatives, the Company has access to up to an additional $15,960,826 in funding net of all fees, for a total of up to $37,438,121 in conditionally available funds.

Outstanding operational metrics

These financial result were achieved in conjunction with delivering growth in all of the Group's key operating metrics for all countries. Highlights for December 2017 include:

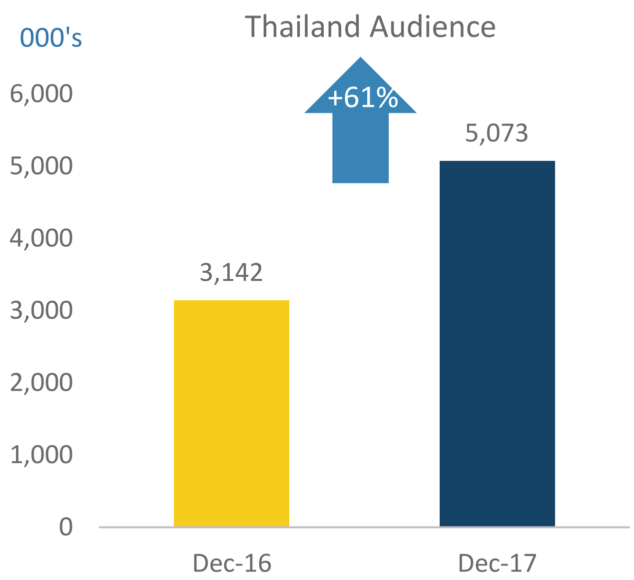
- 48% year on year growth in total audience numbers across the Group to 11.2 million unique visitors
- 42% year on year growth in total leads across the Group to over 1 million leads
- 23% year on year growth in total paid accounts across the Group to over 5,900 accounts
- 52% year on year uplift in the total number of bumps across the Group (note: a 'bump' is a paid product which promotes a listing to the top of a relevant search result) to 247,000 bumps
- Total listings growth of 12% year on year to 479,000 live listings

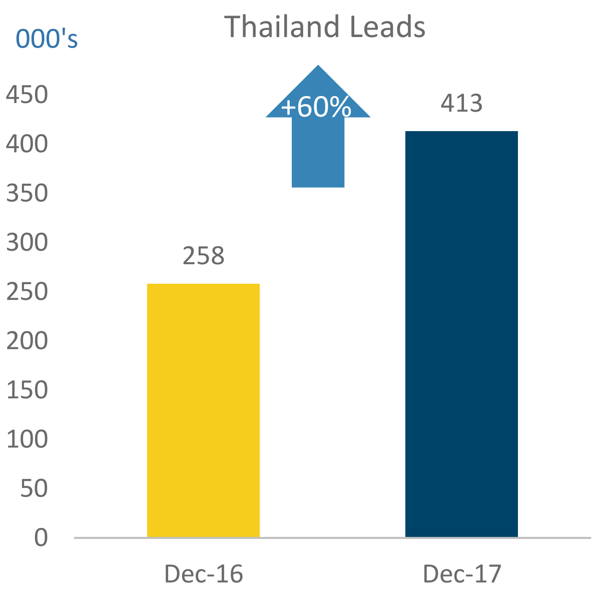
Thailand

The Thailand business had a strong year in the Classified segment with the introduction of bundled subscription products and increased depth product usage driving sales. The business also commenced a used car broker sales service assisting private users to sell cars and dealers to acquire inventory. Dealers and consumers increased their usage of the Group's Apps and messaging was launched driving lead growth. Media sales increased with car manufacturers moving spend online and strategic partnerships in insurance and finance.

Audience and leads volumes grew strongly year on year in December 2017 with 61% and 60% increases respectively. The continued adoption of digital channels by car dealers was evident in 2017 with dealer accounts increasing by 25% year on year and listings growth at December 2017 of 8% year on year.

Revenue grew 39% year on year to $3,818,442 (2016: $2,740,728), along with a 32% improvement in EBITDA loss to $1,133,116 (2016: $1,669,977) as increases in operating expenses were held to 12%.



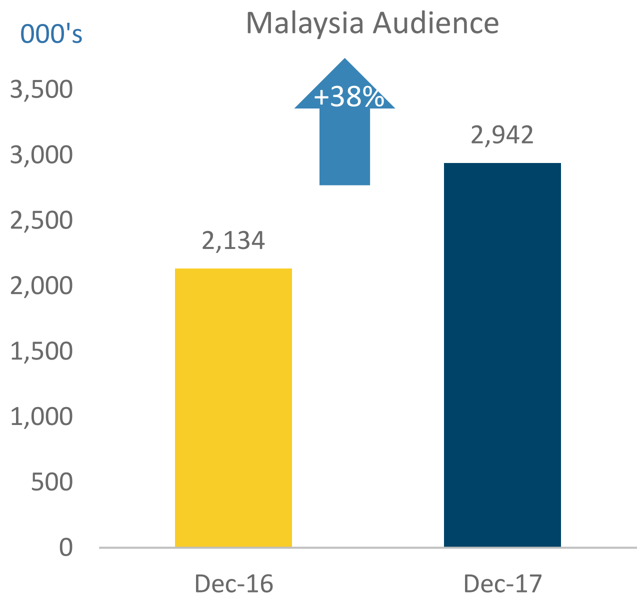


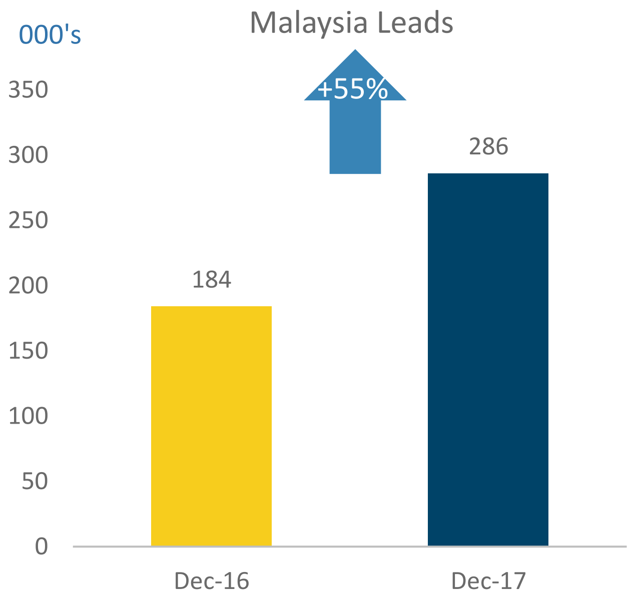
Malaysia:

The Malaysian business benefitted from increased promotional product usage which drove Classified revenue growth. New products such as 'highlights' (which raise the profile of a listing and are themed for festive periods) were enthusiastically adopted. The business ran a number of successful events in the year. These included the new car focussed 'Drive -Test & Buy' in May and a luxury event in November. The business also ran a used car sales carnival event in November. Towards the end of the year the New Car site was launched – an innovative way for consumers to research and buy a new car. This will be a driver of growth into 2018.

Audience grew 38% year on year in December 2017 driving leads growth of 55% as car buyers continued to move online. There was strong customer engagement with our depth products, including a 26% increase year on year in bumps in December 2017.

Revenue increased 29% year on year to $4,567,506 (2016: $3,535,081), along with a 39% improvement in EBITDA loss to $1,310,773 (2016: $2,126,449) as increases in operating expenses were held to 4%.



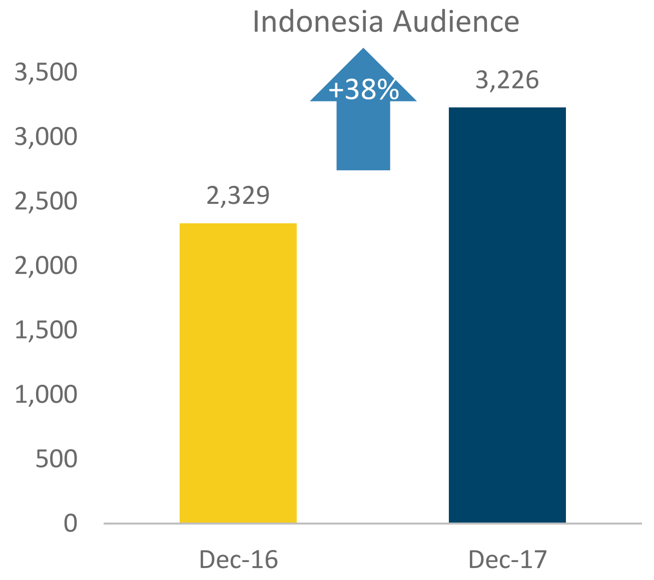


Indonesia:

The Indonesian business had a transformative year as it moved further through its monetisation strategy with strong growth in the number of dealers paying for promotional products on the site. The full range of features were introduced with high adoption of the Hot Deal product where a discounted car is highlighted and placed in a separate search filter on the site. The Media business also grew solidly with a new team in place.

Audience and lead volumes grew strongly throughout the year and reached 38% and 16% year on year in December 2017 respectively. This helped deliver further growth in the number of dealers paying in month to promote their listings, which jumped 77% in December 2017 compared to the prior year.

Revenue grew 87% year on year to $725,550 (2016: $387,585) as the Company moved further through its monetisation strategy. 2017 EBITDA loss remained flat year on year at $3,830,777 (2016: $3,835,250) with continued investment in Marketing and Employment costs, but showed a 21% improvement in 2H 2017 ($1,732,836) versus 2H 2016 ($2,204,551).



2017: Business transformation year completed

2017 has been exceptional for the Group, making the right choices in product investment, technology, marketing optimisation and the reshaping of the sales process. These choices have delivered growth in all of all our key operating metrics and a return to strong revenue growth across all markets while tightly controlling costs. This demonstrates that iCar Asia can deliver sustainable growth as it heads towards profitability.

Significant changes in the state of affairs

On 12 December 2017 iCar Asia Limited issued 55,554,130 shares in connection with a non-renounceable entitlement offer to raise $10,000,000. Gross proceeds were $9,999,744. After raising costs, the total net amount raised was $9,457,558. Eligible Shareholders who subscribed under the Offer also received 1 unlisted option for every New Share subscribed for, exercisable at $0.20 until an expiry date of 18 months from the date of issue. Gross proceeds from the options could be a maximum of $11,110,826. Subject to shareholder approval, the Group entered into a $5,000,000 secured loan facility provided by Catcha Group Pte Ltd to be used for working capital purposes if and when required and which may be drawn down subject to a related issue of options to Catcha Group Pte Ltd. For further details see Note 15 Current liabilities - borrowings. There were no other significant changes in the state of affairs of the Group during the financial year.

Matters subsequent to the reporting date

There have not been any transactions or events of a material and unusual nature between 31 December 2017 and the date of this report, in the opinion of the Directors of the Group, to affect significantly the operations of the Group, the results of those operations, or state of affairs of the Group in future years.

Likely developments and expected results of operations

With the transformation of the business completed and a strong end to 2017, the Group is well set-up to benefit in 2018 from the positive economic conditions in the fast growing ASEAN region and the recovery in the automotive industry across all of the markets iCar operates in.

The company is expected to continue to deliver strong revenue growth in 2018 through:

1. Audience and leads dominance with improved conversion, App and messaging adoption
2. Used car dealer engagement through digital training, App usage and product adoption
3. Uptake of the new car transaction model
4. Expanding online advertising solutions into physical events
5. Expanding into car services including finance, insurance and warranty

In 2018 the Group expects to continue to grow the core business of used cars and advertising solutions, and leverage it's market leadership positions to further establish the new car, events and car services operations. As the largest and most trusted automotive online marketplace across the ASEAN region, iCar Asia is in a great position to capture the returns as the region continues on its road of digital transformation.

Environmental regulation

The Group's operations are not subject to significant environmental regulations. 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.

Indemnity and insurance of officers

The Group has indemnified all current and previous Directors of the Group, the Company Secretary and certain members of senior management against all liabilities or loss (other than to the Group or a related body corporate) that may arise from their position as officers of the Group, except where the liabilities arise out of conduct involving a lack of good faith or where indemnification is otherwise not permitted under the *Corporations Act 2001*. The indemnity stipulates that the Group will meet the full amount of any such liabilities, including costs and expenses, and covers a period of seven years after ceasing to be an officer of the Group.

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

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

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

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

Indemnity of auditors

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

Meetings of Directors

The number of meetings of the company's Board of Directors ('the Board') and of each board committee held during the year ended 31 December 2017, and the number of meetings attended by each Director were:

	Full Board		Audit & Risk Committee		Nomination & Remuneration Committee	
	Attended	**Held**	**Attended**	**Held**	**Attended**	**Held**
Georg Chmiel	15	15	4	4	2	2
Patrick Grove	12	15	-	-	-	-
Lucas Elliott	10	15	2	5	2	3
Mark Britt	4	6	-	-	-	-
Syed Khalil Ibrahim	14	15	4	5	3	3
Mark Licciardo	10	10	-	-	-	-
Christopher Lobb	6	6	-	-	-	-
Peter Everingham	7	9	-	-	2	2
Richard Kuo	8	9	3	3	-	-
James Olsen[1]	9	9	3	3	1	2

[1] James Olsen is alternate Director to Lucas Elliott.

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

Auditor independence and non-audit services

There were no non-audit services provided to the Group during the financial year.

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

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

Auditor's independence declaration

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

Auditor

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

Remuneration Report (audited)

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

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

A Principles used to determine the nature and amount of remuneration

Nomination & Remuneration Committee

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

The responsibilities of the Nomination & Remuneration Committee are to:

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

- Oversee the Group's general remuneration strategy;

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

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

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

Key management personnel

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

Remuneration Report (audited) (continued)

Advisers

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

Reward policy

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

Reward philosophy

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

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

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

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

Executive Chairman and non-executive directors remuneration

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

Fees are established from time to time for the Directors. The appointment letters for the Directors set out the terms and conditions of their appointments. These terms and conditions are in conjunction with, and subject to, the Company's Constitution and the charters and policies approved by the Board from time to time. Each Director receives a fee for being a Director of the Company. These fees are paid either by the issue of iCar Asia Limited shares or in cash. The number of shares is determined by the volume weighted average price ('VWAP') over the period.

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

Remuneration Report (audited) (continued)

The table below summarises the prevailing Board and Committee fees payable to Directors at the close of year 2017:

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

The Executive Chairman is paid an additional $150,000 per annum in cash for the executive component of the role.

Executive remuneration

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

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

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

The remuneration structure is in two parts:

- Fixed remuneration; and
- Variable remuneration

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

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

Short term incentive plan (STI)

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

Remuneration Report (audited) (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 employees depending on the extent to which specific targets set at the beginning of the plan are met. The targets relate to the earnings of the company, achievement of other KPIs aligned to the individual's specific business function and staff remaining in employment. During the year all new key employees participated in the LTI only. The details of LTI terms and targets can be found under Section C Service agreements.

Options plan

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

Additional incentives

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

Voting and comments made at the company's 2017 Annual General Meeting ('AGM')

The company received in excess of 97.90% of 'for' votes in relation to its remuneration report for the year ended 31 December 2017. The company did not receive any specific comments at the AGM in regard to its remuneration practices and report.

Remuneration Report (audited) (continued)

B Details of remuneration

The table below outlines the key management personnel of the Group and their movements during full year 2017:

Name	Position	Term as KMP
Executive Director		
Georg Chmiel	Executive Chairman	Full financial year
Non-executive Directors		
Patrick Grove	Non-executive Director	Full financial year
Lucas Elliott	Non-executive Director	Full financial year
Mark Britt	Independent Non-executive Director	Resigned 30 June 2017
Syed Khalil Ibrahim	Independent Non-executive Director	Full financial year
Mark Licciardo	Non-executive Director	Resigned 30 September 2017
Christopher Lobb	Non-executive Director	Resigned 30 June 2017
Peter Everingham	Independent Non-executive Director	Appointed 1 July 2017
Richard Kuo	Independent Non-executive Director	Appointed 1 July 2017
James Olsen	Alternate Director to Lucas Elliott	Appointed 1 July 2017
Senior Executives		
Hamish Stone	Group Chief Executive Officer	Full financial year
Joe Dische	Group Chief Financial Officer	Full financial year
Pedro Sttau	Group Chief Information Officer	Full financial year
Jonathan Adams	Group Chief Marketing Officer	Appointed 7 April 2017

Remuneration Report (audited) (continued)

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

		Short-term benefits			Share-based payments						
		Salary & fees $	Cash bonus $	Other $	Remuneration[1] $	LTI shares $	STI shares $	Additional incentives $	Options $	Total Remuneration $	Performance related %
G Chmiel	**2017**	**50,000**	**-**	**-**	**108,000**	**-**	**-**	**-**	**35,670**	**193,670**	**-**
Executive Director	2016	-	-	-	8,000	-	-	-	-	8,000	-
P Grove[2]	**2017**	**15,000**	**-**	**-**	**45,000**	**-**	**-**	**-**	**-**	**60,000**	**-**
Non-executive Director	2016	-	-	-	60,000	-	-	-	-	60,000	-
L Elliott[2]	**2017**	**15,000**	**-**	**-**	**39,000**	**-**	**-**	**-**	**-**	**54,000**	**-**
Non-executive Director	2016	-	-	-	48,000	-	-	-	-	48,000	-
M Britt[3]	**2017**	**-**	**-**	**-**	**24,000**	**-**	**-**	**-**	**-**	**24,000**	**-**
Non-executive Director	2016	-	-	-	48,000	-	-	-	-	48,000	-
S Khalil Ibrahim	**2017**	**15,000**	**-**	**-**	**44,000**	**-**	**-**	**-**	**-**	**59,000**	**-**
Non-executive Director	2016	-	-	-	24,000	-	-	-	-	24,000	-
M Licciardo[4]	**2017**	**18,068**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**18,068**	**-**
Non-executive Director	2016	1,489	-	-	-	-	-	-	-	1,489	-
C Lobb[3]	**2017**	**12,045**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**12,045**	**-**
Non-executive Director	2016	1,489	-	-	-	-	-	-	-	1,489	-
P Everingham[5]	**2017**	**15,000**	**-**	**-**	**15,000**	**-**	**-**	**-**	**-**	**30,000**	**-**
Non-executive Director	2016	-	-	-	-	-	-	-	-	-	-
R Kuo[5]	**2017**	**15,000**	**-**	**-**	**20,000**	**-**	**-**	**-**	**-**	**35,000**	**-**
Non-executive Director	2016	-	-	-	-	-	-	-	-	-	-
J Olsen[5]	**2017**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Non-executive Director	2016	-	-	-	-	-	-	-	-	-	-

[1] Shares to be issued to directors in lieu of fees are to be ratified at the upcoming annual general meeting
[2] Shares allocated to the Director will be issued to Catcha Group Pte Ltd
[3] Resigned 30 June 2017
[4] Resigned 30 September 2017
[5] Appointed 1 July 2017

Remuneration Report (audited) (continued)

		Short-term benefits			Share-based payments						
		Salary & fees $	Cash bonus $	Other $	Remuneration[1] $	LTI shares $	STI shares $	Additional incentives $	Options $	Total Remuneration $	Performance related %
S Di Gregorio[6]	**2017**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Non-executive Director	2016	-	-	-	24,000		-	-	-	24,000	-
C McIntyre[7]	**2017**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Non-executive Director	2016	-	-	-	44,000	-	-	-	-	44,000	-
A Bhatia[7]	**2017**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Non-executive Director	2016	-	-	-	44,000	-	-	-	-	44,000	-
H Stone	**2017**	**370,000**	**-**	**60,544**	**-**	**175,020**	**-**	**-**	**97,322**	**702,886**	**39%**
Chief Executive Officer	2016	241,621	-	35,559	-	86,333	-	-	-	363,513	24%
D Rielly[8]	**2017**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Chief Executive Officer	2016	170,000	-	99,575	-	25,343	96,798	-	-	391,716	31%
J Dische	**2017**	**250,000**	**-**	**102,474**	**-**	**45,567**	**150,000**	**98,461**	**-**	**646,502**	**45%**
Chief Financial Officer	2016	250,000	-	101,996	-	49,640	150,000	24,615	-	576,251	39%
P Sttau	**2017**	**220,000**	**-**	**48,196**	**-**	**98,812**	**-**	**77,539**	**-**	**444,547**	**40%**
Chief Information Officer	2016	220,000	-	51,199	-	90,187	-	19,693	-	381,079	29%

[6] Resigned 29 June 2016
[7] Shares allocated to the Director were issued to carsales.com Limited. Resigned 9 December 2016
[8] Resigned 30 June 2016

Remuneration Report (audited) (continued)

		Short-term benefits			Share-based payments						
		Salary & fees $	Cash bonus $	Other $	Remuneration[1] $	LTI shares $	STI shares $	Additional incentives $	Options $	Total Remuneration $	Performance related %
J Caisse[9]	**2017**	**19,167**	**-**	**12,765**	**-**	**-**	**-**	**-**	**-**	**31,932**	**-**
Chief Business Development Officer	2016	230,000	-	129,286	-	53,132	92,000	-	-	504,418	29%
J Adams[10]	**2017**	**127,500**	**-**	**48,008**	**-**	**21,250**	**-**	**-**	**7,573**	**204,331**	**14%**
Chief Marketing Officer	2016	-	-	-	-	-	-	-	-	-	-
Total Remuneration	**2017**	**1,141,780**	**-**	**271,987**	**295,000**	**340,649**	**150,000**	**176,000**	**140,565**	**2,515,981**	
	2016	1,114,599	-	417,615	300,000	304,635	338,798	44,308	-	2,519,955	

[9] Resigned 31 January 2017
[10] Appointed 7 April 2017

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

No material contracts involving Directors' interests were entered into since the end of the previous financial year, or existed at the end of the year, other than those transactions detailed in Note 26 Related party transactions in the financial statements.

Remuneration Report (audited) (continued)

Shareholdings of KMP[1] held in iCar Asia Limited

31 December 2017	Balance at the beginning of the period 1 January 2017	Granted as remuneration	Net change Other[2]	Balance at the end of the period 31 December 2017
Executive Director:				
G Chmiel	50,000	15,618	11,312	76,930
Non-Executive Directors:				
P Grove[3,4]	86,676,645	118,765	22,280,992	109,076,402
L Elliott[3,4]	86,676,645	95,012	22,304,745	109,076,402
M Britt	660,293	95,012	-	755,305
S Khalil Ibrahim	1,562,500	48,417	277,744	1,888,661
M Licciardo	-	-	-	-
C Lobb	-	-	-	-
P Everingham	-	-	-	-
R Kuo	-	-	-	-
J Olsen	-	-	572,553	572,553
Other Key Management Personnel:				-
H Stone	312,500	171,556	312,277	796,333
J Dische	255,888	264,898	89,790	610,576
P Sttau	86,595	116,119	-	202,714
J Adams	-	-	-	-

[1] Includes shares held directly, indirectly and beneficially by KMP.
[2] All equity transactions with KMP other than those arising from remuneration by the Group have been entered into under terms and conditions no more favourable than those the Group would have adopted if dealing at arm's length.
[3] P Grove and L Elliott have a relevant interest in securities held by Catcha Media Berhad and Catcha Group Pte Ltd totalling 109,076,402.
[4] Shares allocated to the Director were issued to Catcha Group Pte Ltd.

Remuneration Report (audited) (continued)

C Service agreements

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

Incentives are paid to Key Management Personnel according to the achievement of performance targets which are set half yearly and based:

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

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

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

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

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

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

Name:	Mr Hamish Stone
Title:	Chief Executive Officer
Term of agreement:	Ends 19 June 2019. 6 months termination notice period by executive and company.
Details:	Base salary cost is AUD 370,000 per annum. Payment on commencement of employment of AUD 37,000. *Long term incentive* Up to AUD 370,000 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. The shares are issued in 3 instalments: 3 months, 15 months and 27 months after the period, split as 40%, 30%, 30% respectively. Please see above for performance criteria. *Other benefits:* Housing allowance of MYR 12,000 per month (equivalent to approximately 2017: AUD 3,643 (2016: AUD 3,901) per month). *Options:* See Section D Share-based compensation.

Remuneration Report (audited) (continued)

Name:	Mr Joe Dische
Title:	Chief Financial Officer
Term of agreement:	6 months termination notice period by executive and company.
Details:	Base salary cost is AUD 250,000 per annum.

Short term incentive
Up to AUD 150,000 per annum subject to meeting performance targets as set by the Board. Payment is to be made via shares in the Company at an issue price calculated based on the VWAP of the shares for the corresponding period.

Long term incentive
Up to AUD 50,000 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.

Additional incentive
1,000,000 shares in iCar Asia Limited if the Group's EBITDA is positive in 2 consecutive quarters prior to the end of calendar 2020. The last (2nd) quarter must demonstrate clear market leadership on traffic, listings and leads.

Please see above for performance criteria.

Other benefits:
Housing allowance of MYR 12,000 per month (equivalent to approximately 2017: AUD 3,643 (2016: AUD 3,901) per month).
School fee allowance on average MYR 71,843 per child per annum (equivalent to approximately 2017: AUD 21,810 (2016: AUD 23,352) per annum).

Remuneration Report (audited) (continued)

Name:	Mr Pedro Sttau
Title:	Chief Information Office
Term of agreement:	6 months termination notice period by executive and company.
Details:	Base salary cost is AUD 230,000 per annum.

Long term incentive:
Up to AUD 184,000 per annum subject to meeting performance targets as set by the Board. Payment is to be made via shares in the Company at an issue price calculated based on the VWAP of the shares for the corresponding period. The shares are issued in 3 instalments: 3 months, 15 months and 27 months after the period, split as 33%, 33%, 33% respectively.

Additional incentive
800,000 shares in iCar Asia Limited if the Group's EBITDA is positive in 2 consecutive quarters prior to the end of calendar 2020. The last (2nd) quarter must demonstrate clear market leadership on traffic, listings and leads.

Please see above for performance criteria.

Other benefits:
Housing allowance of MYR 12,000 per month (equivalent to approximately 2017: AUD 3,643 (2016: AUD 3,901) per month).

Remuneration Report (audited) (continued)

Name:	Mr Jonathan Joseph Adams
Title:	Chief Marketing Officer
Term of agreement:	3 months termination notice period by executive and company.
Details:	Base salary cost is AUD 170,000 per annum.
	Long term incentive: Up to AUD 85,000 per annum subject to meeting performance targets as set by the Board. Payment is to be made via shares in the Company at an issue price calculated based on the VWAP of the shares for the corresponding period. The shares are issued in 3 instalments: 3 months, 15 months and 27 months after the period, split as 33%, 33%, 33% respectively.
	Please see above for performance criteria. *Other benefits:* School fee allowance of AUD 44,000 per annum.
	Options: See Section D Share-based compensation.

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

Remuneration Report (audited) (continued)

D Share-based compensation

Issue of shares

Details of shares issued to Directors and other key management personnel as part of compensation during the year ended 31 December 2017 are set out below:

	Financial Year	Category	Number of Shares granted up to 31 December 2017	Number of shares vested during 2017	Fair Value per share $	Fair value of shares $	Grant date	Vesting date	Issue date
Executive Director:									
G Chmiel	2016	Director Fees	15,618	15,618	0.505	7,890	February 2017	February 2017	June 2017
Non-Executive Directors:									
P Grove	2016	Director Fees[1]	118,765	118,765	0.505	60,000	February 2017	February 2017	June 2017
L Elliott	2016	Director Fees[1]	95,012	95,012	0.505	48,000	February 2017	February 2017	June 2017
S Di Gregorio	2016	Director Fees	47,115	47,115	0.505	23,802	February 2017	February 2017	June 2017
M Britt	2016	Director Fees	95,012	95,012	0.505	48,000	February 2017	February 2017	June 2017
C McIntyre	2016	Director Fees[2]	89,545	89,545	0.505	45,238	February 2017	February 2017	June 2017
A Bhatia	2016	Director Fees[2]	89,545	89,545	0.505	45,238	February 2017	February 2017	June 2017
S Khalil Ibrahim	2016	Director Fees	48,417	48,417	0.505	24,460	February 2017	February 2017	June 2017
Other Key Management Personnel:									
H Stone	2016	LTI	171,556	171,556	0.200	34,311	February 2017	February 2017	May 2017
	2016	LTI	128,667	-	0.200	25,733	February 2017	February 2018	March 2018
	2016	LTI	128,667	-	0.200	25,733	February 2017	February 2019	March 2019

Remuneration Report (audited) (continued)

	Financial Year	Category	Number of Shares granted up to 31 December 2017	Number of shares vested during 2017	Fair Value per share $	Fair value of shares $	Grant date	Vesting date	Issue date
Other Key Management Personnel:									
J Dische	2014	LTI	27,381	27,381	1.110	30,393	February 2015	February 2017	May 2017
	2015	LTI	81,140	-	0.910	73,837	February 2016	February 2018	March 2018
	2016	LTI	79,172	-	0.200	15,834	February 2017	February 2019	March 2019
	2016	STI	237,517	237,517	0.200	47,503	February 2017	February 2017	May 2017
J Caisse	2014	LTI	55,686	55,686	1.110	61,811	February 2015	February 2017	May 2017
P Sttau	2015	LTI	49,451	-	0.910	47,287	February 2016	February 2018	March 2018
	2016	LTI	116,120	116,120	0.200	23,224	February 2017	February 2017	May 2017
	2016	LTI	116,120	-	0.200	23,224	February 2017	February 2018	March 2018
	2016	LTI	116,120	-	0.200	23,224	February 2017	February 2019	March 2019

[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

Share based payments of $1,102,214 have been accrued in relation to 2017 in lieu of Directors Fees ($295,000) and executive variable remuneration ($807,214). The number of shares granted will be agreed at the meeting of the Nomination & Remuneration Committee in February 2018.

Remuneration Report (audited) (continued)

Options

In April 2017 and May 2017 3,750,000 share options were granted to certain senior executives. The senior executives must be employed by the company on the vesting date or the options lapse. All options will be settled in shares. The Company uses the Black-Scholes option valuation model to calculate the fair value of share purchase options at the date of grant, taking into account the terms and conditions upon which the options were granted. The fair value of options granted during the year ended 31 December 2017 was estimated on the date of grant using the following assumptions:

Dividend yield	0%
Expected votality	76%
Risk-free interest rate	1.8%

The table below discloses the number of share options granted, vested or lapsed during the year.

Key management personnel	Financial year	Options awarded during the year No.	Award date	Fair value per option at award date ($)	Vesting Date	Exercise price	Expiry date	No. vested during the year	No. lapsed during the year	Value of options granted during the year
G Chmiel (Executive Chairman)	2017	1,000,000	26 May 2017	$0.129	31 December 2019	$0.40	31 December 2021	-	-	129,000
H Stone (CEO)										
Option 1	2017	750,000	26 May 2017	$0.127	26 May 2019	$0.40	26 May 2022	-	-	95,250
Option 2	2017	750,000	26 May 2017	$0.100	26 May 2019	$0.60	26 May 2022	-	-	75,000
Option 3	2017	1,000,000	26 May 2017	$0.082	26 May 2019	$0.80	26 May 2022	-	-	82,000
J Adams (CMO)	2017	250,000	3 April 2017	$0.111	31 December 2019	$0.40	31 December 2022	-	-	27,750

Remuneration Report (audited) (continued)

The weighted average fair value of the options granted during the six month period was $0.11.

Options holdings of KMP							
Key management personnel	**Balance 1 January 2017**	**Granted as remuneration**	**Options exercised**	**Net change other**	**Balance 31 December 2017**	**Exercisable**	**Not exercisable**
G Chmiel (Chairman)	-	1,000,000	-	11,312	1,011,312	-	-
H Stone (CEO)	-	-	-	117,107	117,107	-	-
Option 1	-	750,000	-	-	750,000	-	-
Option 2	-	750,000	-	-	750,000	-	-
Option 3	-	1,000,000	-	-	1,000,000	-	-
J Dische (CFO)	-	-	-	89,790	89,790	-	-
J Adams (CMO)	-	250,000	-	-	250,000	-	-

There were no options exercised during the year.

The following table outlines the proportion of maximum STI and LTI earned in relation to the financial year ended 2017.

	Maximum STI opportunity (% of fixed remuneration)	**% of maximum STI earned**	**Maximum LTI opportunity (% of fixed remuneration)**	**% of maximum LTI earned**
H Stone (CEO)	N/A	N/A	100%	100%
J Dische (CFO)	60%	100%	20%	100%
P Sttau (CIO)	N/A	N/A	80%	100%
J Adams (CMO)	N/A	N/A	50%	100%

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 the key performance measures of the Group.

The performance of the Group for the year to 31 December 2017 and the previous four years is summarised below:

	2017	2016	2015	2014	2013
Revenue	9,111,498	6,663,394	6,277,576	2,814,246	1,445,551
Loss after income tax	(13,377,600)	(14,999,485)	(12,537,199)	(16,699,930)	(6,901,778)

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

	2017	2016	2015	2014	2013
Share price at financial year end ($A)	0.20	0.25	0.96	1.08	0.90
Basic loss per share (cents per share)	(4.12)	(5.59)	(5.43)	(8.64)	(4.10)
Diluted loss per share (cents per share)	(4.12)	(5.59)	(5.43)	(8.64)	(4.10)

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

This concludes the remuneration report, which has been audited.

Signed in accordance with a resolution of the directors.

Georg Chmiel
Executive Chairman

Kuala Lumpur
22 February 2018

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

As lead auditor for the audit of iCar Asia Limited for the financial year ended 31 December 2017, I declare to the best of my knowledge and belief, there have been:

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

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

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

Ernst & Young

Ernst & Young

BJ Pollock

BJ Pollock
Partner
22 February 2018

	Note	Consolidated 2017 $	2016 $
Revenue	5	9,111,498	6,663,394
Expenses			
Administration and related expenses		(2,068,968)	(2,212,109)
Advertising and marketing expenses		(7,027,970)	(6,929,580)
Employment related expenses	6	(9,882,594)	(9,476,252)
Premises and infrastructure expenses		(1,752,111)	(1,669,106)
Offline production costs		(205,672)	(189,092)
Depreciation and amortisation expense	6	(1,799,953)	(1,319,429)
Operating loss		(13,625,770)	(15,132,174)
Interest income	5	371,806	393,164
Interest expense	6	(9,448)	(39,048)
Loss before tax		(13,263,412)	(14,778,058)
Income tax (expense)/benefit	7	(114,188)	(221,427)
Loss after income tax expense for the year attributable to the owners of iCar Asia Limited and Controlled Entities	19	(13,377,600)	(14,999,485)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation		258,611	(363,780)
Other comprehensive income for the year, net of tax		258,611	(363,780)
Total comprehensive income for the year attributable to the owners of iCar Asia Limited and Controlled Entities		(13,118,989)	(15,363,265)
Earnings Per Share		**Cents**	**Cents**
Basic loss per share	31	(4.12)	(5.59)
Diluted loss per share	31	(4.12)	(5.59)

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

iCar Asia Limited and Controlled Entities
Statement of Financial Position
For the year ended 31 December 2017

	Note	Consolidated 2017 $	2016 $
Assets			
Current assets			
Cash and cash equivalents	8	16,477,295	22,077,808
Investments (term deposits)	8	5,000,000	5,000,000
Trade and other receivables	9	1,035,590	1,068,452
Other assets	10	1,431,203	1,274,226
Total current assets		**23,944,088**	**29,420,486**
Non-current assets			
Property, plant and equipment	11	675,986	636,780
Intangibles	12	8,459,922	7,248,063
Goodwill	12	17,675,289	17,367,939
Other non-current assets		26,619	26,270
Total non-current assets		**26,837,816**	**25,279,052**
Total assets		**50,781,904**	**54,699,538**
Liabilities			
Current liabilities			
Trade and other payables	13	2,667,013	3,350,320
Provisions	14	1,389,725	1,329,244
Borrowings	15	-	464,809
Total current liabilities		**4,056,738**	**5,144,373**
Non-current liabilities			
Provisions	16	308,672	247,109
Total non-current liabilities		**308,672**	**247,109**
Total liabilities		**4,365,410**	**5,391,482**
Net assets		**46,416,494**	**49,308,056**
Equity			
Issued capital	17	122,493,347	112,553,083
Reserves	18	(9,804,243)	(10,350,017)
Accumulated losses	19	(66,272,610)	(52,895,010)
Total equity		**46,416,494**	**49,308,056**

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 2017

	Issued capital	Foreign currency translation reserve	Equity reserve	Share based payment reserve	Accumulated losses	Total equity
	$	$	$	$	$	$
Balance at 1 January 2017	112,553,083	(575,979)	(10,965,292)	1,191,254	(52,895,010)	49,308,056
Loss after income tax expense for the period	-	-	-	-	(13,377,600)	(13,377,600)
Other comprehensive income for the period, net of tax	-	258,611	-	-	-	258,611
Total comprehensive income for the period	-	258,611	-	-	(13,377,600)	(13,118,989)
Transactions with owners in their capacity as owners						
56,821,045 shares issued during the period	10,511,539	-	-	(511,795)	-	9,999,744
Transaction costs (net of tax)	(571,275)	-	-	-	-	(571,275)
Share to be issued in lieu of directors' remuneration	-	-	-	295,000	-	295,000
Executive variable remuneration	-	-	-	503,958	-	503,958
Balance at 31 December 2017	**122,493,347**	**(317,368)**	**(10,965,292)**	**1,478,417**	**(66,272,610)**	**46,416,494**

	Issued capital	Foreign currency translation reserve	Equity reserve	Share based payment reserve	Accumulated losses	Total equity
	$	$	$	$	$	$
Balance at 1 January 2016	89,328,100	(212,199)	(10,965,292)	1,078,144	(37,895,525)	41,333,228
Loss after income tax expense for the period	-	-	-	-	(14,999,485)	(14,999,485)
Other comprehensive income for the period, net of tax	-	(363,780)	-	-	-	(363,780)
Total comprehensive income for the period	-	(363,780)	-	-	(14,999,485)	(15,363,265)
Transactions with owners in their capacity as owners						
30,145,692 shares issued during the period	24,022,098	-	-	(866,018)	-	23,156,080
Transaction costs (net of tax)	(797,115)	-	-	-	-	(797,115)
Share to be issued in lieu of directors' remuneration	-	-	-	300,000	-	300,000
Executive variable remuneration	-	-	-	679,128	-	679,128
Balance at 31 December 2016	**112,553,083**	**(575,979)**	**(10,965,292)**	**1,191,254**	**(52,895,010)**	**49,308,056**

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

	Note	Consolidated 2017 $	Consolidated 2016 $
Cash flows from operating activities			
Receipts from customers		9,394,557	7,447,754
Payments to suppliers and employees		(23,066,884)	(20,381,341)
Income tax paid		(119,408)	-
		(13,791,735)	(12,933,587)
Interest received		436,712	398,633
Interest paid		(37,427)	(40,659)
Net cash used in operating activities	30	(13,392,450)	(12,575,613)
Cash flows from investing activities			
Payments for property, plant and equipment		(177,818)	(455,085)
Payments for intangibles		(998,067)	(619,160)
Net cash used in investing activities		(1,175,885)	(1,074,245)
Cash flows from financing activities			
Proceeds from issue of shares		9,999,743	23,000,000
Share issue transaction costs		(564,077)	(781,716)
Repayment of borrowings		(467,844)	-
Net cash provided by financing activities		8,967,822	22,218,284
Net (decrease)/ increase in cash and cash equivalents		(5,600,513)	8,568,426
Cash and cash equivalents at the beginning of the period		27,077,808	18,509,382
Cash, cash equivalents and investments at the end of the period	8	**21,477,295**	**27,077,808**

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

1. Corporate information

The consolidated financial statements of iCar Asia Limited and its subsidiaries (collectively, the 'Group') for the year ended 31 December 2017 were authorised for issue in accordance with a resolution of Directors made on 22 February 2018. The Directors have the power to amend and reissue the financial report.

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

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

2. Summary of significant accounting policies

2.1 Basis of preparation

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

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

Clarification of terminology used in Annual Report:

Earnings/(Loss) before interest, income tax expense, depreciation and amortisation (EBITDA) reflects the loss for the period prior to including the effect of net finance costs, income taxes, depreciation, amortisation and impairment. Depreciation and amortisation are calculated in accordance with AASB 116: "Property, plant and equipment" and AASB 138: "Intangible Assets" respectively. Impairment is calculated in accordance with AASB 136: "Impairment of Assets". The Group believe that EBITDA is a relevant and useful financial measure used by management to measure the Group'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 2017. The nature and the impact of each new standard and/or amendment is described below:

2016-1 Amendments to Australian Accounting Standards – Recognition of Deferred Tax Assets for Unrealised Losses [AASB 112]
Application Date of Standard: 1 January 2017, Application Date: 1 January 2017

This Standard amends AASB 112 Income Taxes (July 2004) and AASB 112 Income Taxes (August 2015) to clarify the requirements on recognition of deferred tax assets for unrealised losses on debt instruments measured at fair value.

The adoption of these amendments had no material impact on the financial position or performance of the Group.

2. Summary of significant accounting policies (continued)

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

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

2016-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107
Application Date of Standard: 1 January 2017, Application Date: 1 January 2017

This Standard amends AASB 107 Statement of Cash Flows (August 2015) to require entities preparing financial statements in accordance with Tier 1 reporting requirements to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.

The adoption of these amendments had no material impact on the financial position or performance of the Group.

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

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective and have not been adopted by the Group for the year ended 31 December 2017 are outlined below:

2016-5 Amendments to Australian Accounting Standards – Classification and Measurement of Share-based Payment
Application Date of Standard: 1 January 2018, Application Date: 1 January 2018

This standard amends AASB 2 Share-based Payment, clarifying how to account for certain types of share-based payment transactions. The amendments provide requirements on the accounting for:

- The effects of vesting and non-vesting conditions on the measurement of cash-settled share-based payments
- A modification to the terms and conditions of a share-based payment that changes the classification of the transaction from cash-settled to equity-settled

The Group does not expect this standard will have a significant impact on the Group financial report however it will continue to assess this.

AASB 9 Financial Instruments
Application Date of Standard: 1 January 2018, Application Date: 1 January 2018

AASB 9 (December 2014) is a new standard which replaces AASB 139. This new version supersedes AASB 9 issued in December 2009 (as amended) and AASB 9 (issued in December 2010) and includes a model for classification and measurement, a single, forward-looking ‘expected loss’ impairment model and a substantially-reformed approach to hedge accounting.

AASB 9 is effective for annual periods beginning on or after 1 January 2018. However, the Standard is available for early adoption. The own credit changes can be early adopted in isolation without otherwise changing the accounting for financial instruments.

Classification and measurement
AASB 9 includes requirements for a simpler approach for classification and measurement of financial assets compared with the requirements of AASB 139. There are also some changes made in relation to financial liabilities.

2. Summary of significant accounting policies (continued)

2.3 Changes in accounting policies, disclosures, standards and interpretations

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

AASB 9 Financial Instruments (continued)

The main changes are described below.

Financial assets

- Financial assets that are debt instruments will be classified based on (1) the objective of the entity's business model for managing the financial assets; (2) the characteristics of the contractual cash flows.
- Allows an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument.
- Financial assets can be designated and measured at fair value through profit or loss at initial recognition if doing so eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities, or recognising the gains and losses on them, on different bases.

Financial liabilities

Changes introduced by AASB 9 in respect of financial liabilities are limited to the measurement of liabilities designated at fair value through profit or loss (FVPL) using the fair value option.

Where the fair value option is used for financial liabilities, the change in fair value is to be accounted for as follows:

- The change attributable to changes in credit risk are presented in other comprehensive income (OCI)
- The remaining change is presented in profit or loss

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 or losses attributable to changes in the entity's own credit risk would be recognised in OCI. These amounts recognised in OCI are not recycled to profit or loss if the liability is ever repurchased at a discount.

Impairment

The final version of AASB 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 more timely basis. The Group will apply the simplified approach and record life time expected losses on all trade receivables. The Group does not expect this standard will have significant impact on the Group financial report.

Hedge accounting

Amendments to AASB 9 (December 2009 & 2010 editions and AASB 2013-9) issued in December 2013 included the new hedge accounting requirements, including changes to hedge effectiveness testing, treatment of hedging costs, risk components that can be hedged and disclosures.

Consequential amendments were also made to other standards as a result of AASB 9, introduced by AASB 2009-11 and superseded by AASB 2010-7, AASB 2010-10 and AASB 2014-1 – Part E.

2. Summary of significant accounting policies (continued)

2.3 Changes in accounting policies, disclosures, standards and interpretations

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

Hedge accounting (continued)

AASB 2014-7 incorporates the consequential amendments arising from the issuance of AASB 9 in Dec 2014. AASB 2014-8 limits the application of the existing versions of AASB 9 (AASB 9 (December 2009) and AASB 9 (December 2010)) from 1 February 2015 and applies to annual reporting periods beginning on after 1 January 2015.

The Group does not expect this standard will have a significant impact on the Group financial report however it will continue to assess this.

AASB 15 Revenue from Contracts with Customers
Application Date of Standard 1 January 2018, Application Date: 1 January 2018

AASB 15 Revenue from contracts with customers (‘AASB 15’) and the related subsequent amendments replaces all existing requirements (AASB 111 Construction Contracts, AASB 118 Revenue and related interpretations) and applies to all revenue from contracts with customers.

The new requirements provide a single, contract-based revenue recognition model. AASB 15 established principles for reporting the nature, amount and timing and uncertainty of revenue and cash flows arising from an entity’s contracts with customers. The core principle of AASB 15 is that an entity recognises revenue when a customer obtains control or promised goods or services and is recognised in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The new standard requires new and expanded disclosures related to the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers and the key judgements made.

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

AASB 2015-8 amended the AASB 15 effective date so it is now effective for annual reporting periods commencing on or after 1 January 2018. Early application is permitted.

AASB 2014-5 incorporates the consequential amendments to a number Australian Accounting Standards (including Interpretations) arising from the issuance of AASB 15.

AASB 2016-3 Amendments to Australian Accounting Standards – Clarifications to AASB 15 amends AASB 15 to clarify the requirements on identifying performance obligations, principal versus agent considerations and the timing of recognising revenue from granting a licence and provides further practical expedients on transition to AASB 15.

2. Summary of significant accounting policies (continued)

2.3 Changes in accounting policies, disclosures, standards and interpretations

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

AASB 15 Revenue from Contracts with Customers (continued)

In assessing the impact of AASB 15, iCar segregated the Group's revenue into three major components to understand the nature of the contractual arrangements with the customers in each revenue stream. The revenue streams identified were:

(a) Media revenues – comprising the provision of online banner, social media, advertorial and electronic mailing services to customers or the provision of physical booth space at new and used car events operated by the Group.

(b) Classifieds (New and Used Cars) – comprises revenue from listing fees and ongoing subscriptions from customers listing and promoting cars for sale on iCar's websites. Includes broking fees (where commissions are paid on a successful transaction) as well as from online promotional products that are purchased by customers using prepaid 'bump credits' that can be used to increase the profile of car's listing.

(c) Other revenues – comprising commission from sale of third party warranty, finance and insurance products. In these arrangements iCar acts as agent not principal as the Group does not control the services before they are transferred to the customer.

iCar assessed the impact of the new standard by analysing a representative sample of the customer contracts in each of the above revenue streams in light of the requirements of AASB 15, comparing the iCar's current accounting policies and practices, and identifying potential differences.

Some of the key issues considered were the timing and amount of the recognition of revenue for prepaid bump credits; the estimates and judgements involved in accounting for bundled products comprising listings and bump credits based on their stand-alone selling price; and identifying the principal versus agent relationship where iCar arranges the sale of third party warranty, finance and insurance products.

Based on this assessment the impact on the recognition and measurement of revenue will not be material. However, the new standard will require iCar to provide new and expanded disclosures related to the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers and the key judgements made.

2. Summary of significant accounting policies (continued)

2.3 Changes in accounting policies, disclosures, standards and interpretations

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

AASB 16 Leases
Application Date of Standard: 1 January 2019, Application Date: 1 January 2019

Lessee accounting

AASB 16 requires lessees to account for all leases under a single on-balance sheet model in a similar way to finance leases under AASB 117 Leases. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets and short-term leases. At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset).

Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Lessees will be required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

Lessor accounting

Lessor accounting is substantially unchanged from today's accounting under AASB 117. Lessors will continue to classify all leases using the same classification principle as in AASB 117 and distinguish between two types of leases: operating and finance leases.

The new standard will be effective for annual periods beginning on or after 1 January 2019. Early application is permitted, provided the new revenue standard, AASB 15 Revenue from Contracts with Customers, has been applied, or is applied at the same date as AASB 16.

The Group has made a preliminary assessment and does not expect this standard to have a significant impact on the financial performance of the Group, however will impact the statement of financial position. The operating lease rental expense associated with these leases will no longer be recognised in the income statement, instead being replaced by depreciation of the lease asset and interest charges. This is not expected to materially change the profit after tax, but is expected to change the EBITDA.

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 2017 and the results for the year then ended.

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

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

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

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

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

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

b) Current versus non-current classification

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

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

Or

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

All other assets are classified as non-current.

2. Summary of significant accounting policies (continued)

2.4 Significant accounting policies (continued)

b) Current versus non-current classification (continued)

A liability is current when:

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

Or

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

The Group classifies all other liabilities as non-current. Where applicable, comparative balances in the Statement of Financial Position are reclassified to ensure comparability between the current and prior reporting period.

c) Business combinations

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

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

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

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

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

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

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

2. Summary of significant accounting policies (continued)

2.4 Significant accounting policies (continued)

d) Foreign currency translation

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

Foreign currency transactions

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

Foreign operations

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

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

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

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

e) 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:

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.

Barter transactions
The Group periodically enters into barter transactions and revenue is recognised based on the market selling price of the same services it provides in non-barter transactions.

2. Summary of significant accounting policies (continued)

2.4 Significant accounting policies (continued)

e) Revenue recognition (continued)

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.

f) Taxes

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

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

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

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

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

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

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

2. Summary of significant accounting policies (continued)

2.4 Significant accounting policies (continued)

f) Taxes (continued)

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.

g) Property, plant and equipment

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

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

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

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

The useful lives are unchanged from the prior reporting period.

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

2. Summary of significant accounting policies (continued)

2.4 Significant accounting policies (continued)

h) 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.

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.

i) Intangible assets

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

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

Intangible assets acquired 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.

2. Summary of significant accounting policies (continued)

2.4 Significant accounting policies (continued)

i) Intangible assets (continued)

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

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

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

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 in use or continuing to generate future economic benefits it will be written down to zero.

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

j) Impairment of non-financial assets

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

2. Summary of significant accounting policies (continued)

2.4 Significant accounting policies (continued)

j) Impairment of non-financial assets (continued)

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

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

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

k) Cash and cash equivalents

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

l) 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.

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.

m) 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.

2. Summary of significant accounting policies (continued)

2.4 Significant accounting policies (continued)

n) 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.

o) 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.

p) 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.

q) Employee benefits

Wages and salaries, annual leave and long service leave

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

Defined contribution superannuation expense

Contributions to defined contribution superannuation plans are expensed when incurred.

2. Summary of significant accounting policies (continued)

2.4 Significant accounting policies (continued)

q) Employee benefits

Defined benefit pension plan

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

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

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

Share-based payments

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

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

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

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

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

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

2. Summary of significant accounting policies (continued)

2.4 Significant accounting policies (continued)

r) 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.

s) 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 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.

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.

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

Goodwill and other indefinite life intangible assets

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

Business combinations

As discussed in note 2.4 c), 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.

Share-based payments

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

Defined benefit pension plan

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

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

4. Operating segments

Identification of reportable segments
The Group identifies the chief operating decision maker ('CODM') as the executive management team. Information reported to the executive management team for the purposes of resource allocation and assessment of performance is more specifically focused on the geographic location of services provided. 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: (No operating segments have been aggregated to form the reportable segments.)
Malaysia Thailand
Indonesia

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

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

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

4. Operating segments (continued)

Operating segment information

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

4. Operating segments (continued)

Operating segment information (continued)

Consolidated - 2016	Malaysia $	Indonesia $	Thailand $	Unallocated $	Intersegment eliminations $	Total $
Revenue						
Sales	3,535,081	387,585	2,740,728	-	-	6,663,394
Operating expenses	(5,661,530)	(4,222,835)	(4,410,705)	(6,181,069)	-	(20,476,139)
Loss before Interest, tax, depreciation and amortisation	(2,126,449)	(3,835,250)	(1,669,977)	(6,181,069)	-	(13,812,745)
Depreciation and amortisation	(125,858)	(32,755)	(369,590)	(791,226)	-	(1,319,429)
Interest income	3,790	-	518	388,856	-	393,164
Interest expense	(39,048)	-	-	-	-	(39,048)
Loss before income tax expense	(2,287,565)	(3,868,005)	(2,039,049)	(6,583,439)	-	(14,778,058)
Income tax expense	-	(128,630)	-	(92,797)	-	(221,427)
Loss after income tax expense						(14,999,485)
Assets						
Segment assets	3,568,364	958,212	20,527,286	29,645,676	-	54,699,538
Total assets						54,699,538
Liabilities						
Segment liabilities	1,890,646	1,351,578	1,141,427	1,007,831	-	5,391,482
Total liabilities						5,391,482

5. Revenue

	Consolidated 2017 $	Consolidated 2016 $
Rendering of services	9,111,498	6,663,394
Interest Revenue	371,806	393,164
	9,483,304	7,056,558

Within rendering of services, there is a total of $828,149 (2016: $347,850) in relation to goods exchange services. There are no amounts outstanding at the balance date (2016: nil).

6. Expenses

	Consolidated 2017 $	Consolidated 2016 $
Loss before income tax includes the following specific expenses:		
Depreciation		
Leasehold improvements	60,419	53,788
Plant and equipment	230,698	195,358
Fixtures and fittings	20,603	18,480
Total depreciation	311,720	267,626
Amortisation		
Websites, domain names, trademarks and other intangibles	1,488,233	1,051,803
Total depreciation, amortisation and impairment	1,799,953	1,319,429
Interest and finance charges paid/payable	9,448	39,048
Employment and related expenses		
Salaries and wages	6,051,572	5,633,800
Super and pension related	830,068	776,148
Commissions	1,107,600	880,683
Other employment benefits	503,058	584,300
Share based payments - equity settled	911,052	1,023,202
Incentives/Bonus	479,244	578,119
Total employment and related expenses	9,882,594	9,476,252

There are currently 390 full-time equivalent employees (2016: 424).

7. Income tax expense

Income tax recognised in profit or loss

	Consolidated	
	2017	2016
	$	$
Current tax		
Current tax expense/(benefit) in respect of the current year	59,357	106,669
Under/(Over) provision of prior year tax	54,831	114,758
	114,188	221,427
Deferred tax		
Deferred tax expense recognised in the current year	-	-
Total income tax expense/(benefit) recognised in the current year	114,188	221,427

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

	2017	2016
Loss before tax from operations	(13,263,412)	(14,778,058)
Income tax expense calculated at 30% (2016: 30%)	(3,979,024)	(4,433,417)
Effect of different tax rates of subsidiaries operating in other jurisdictions	633,434	786,113
Deductible costs relating to share issue expenses	(194,554)	(227,909)
Effect of unused tax losses and tax offsets not recognised as deferred tax assets	3,654,332	4,096,639
	114,188	221,427
Unrecognised deferred tax asset	9,848,731	14,739,290

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. The tax losses are available subject to compliance with relevant tax rules, for offsetting against future taxable profits.

8. Current assets - cash, cash equivalents and investments

	Consolidated	
	2017	2016
	$	$
Cash at bank	1,881,208	4,485,188
Cash on deposit	14,596,087	17,592,620
Cash and cash equivalents	16,477,295	22,077,808
Investments	5,000,000	5,000,000
	21,477,295	27,077,808

Investments are term deposits which mature in March 2018 (2016: September 2017).

9. Current assets - trade and other receivables

	Consolidated	
	2017	2016
	$	$
Trade receivables	967,900	941,664
Accrued interest	67,690	126,788
	1,035,590	1,068,452

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 $36,909 (2016: $60,389) in profit or loss in respect of impairment of receivables for the year ended 31 December 2017.

Past due but not impaired
Customers with balances past due but without provision for impairment of receivables amount to $113,704 as at 31 December 2017 ($132,855 as at 31 December 2016).

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

9. Current assets - trade and other receivables (continued)

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

	Consolidated 2017 $	Consolidated 2016 $
0-30 days	8,635	62,594
31-60 days	23,478	35,852
61-90 days	1,312	20,304
90 plus days	80,279	14,105
	113,704	132,855

Doubtful debts reconciliation	$
As at 1 January 2016	22,137
Charge for the year	60,389
Utilised	(63,176)
Unused amounts reversed	-
At 31 December 2016	19,350
Charge for the year	36,909
Utilised	-
Unused amounts reversed	-
At 31 December 2017	**56,259**

10. Current assets – other

	Consolidated 2017 $	Consolidated 2016 $
Prepayments	510,570	477,406
Other deposits	192,868	185,908
Other receivables	727,765	610,912
	1,431,203	1,274,226

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

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

	Consolidated 2017 $	2016 $
Leasehold improvements - at cost	533,432	447,219
Less: Accumulated depreciation and impairment	(294,527)	(328,613)
	238,905	118,606
Plant and equipment - at cost	1,842,334	1,757,698
Less: Accumulated depreciation and impairment	(1,445,512)	(1,291,981)
	396,822	465,717
Furniture and fittings - at cost	115,162	198,599
Less: Accumulated depreciation and impairment	(74,903)	(146,142)
	40,259	52,457
	675,986	636,780

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 2016	172,686	263,779	44,335	480,800
Additions	2,468	391,357	26,746	420,571
Exchange differences	(2,760)	5,939	(144)	3,035
Depreciation expense	(53,788)	(195,358)	(18,480)	(267,626)
Balance at 31 December 2016	118,606	465,717	52,457	636,780
Additions	180,272	163,361	7,289	350,922
Exchange differences	446	(1,558)	1,116	4
Depreciation expense	(60,419)	(230,698)	(20,603)	(311,720)
Balance at 31 December 2017	238,905	396,822	40,259	675,986

12. Non-current assets- Intangibles and Goodwill

	Consolidated 2017 $	Consolidated 2016 $
Goodwill - at cost	17,675,289	17,367,939
	17,675,289	17,367,939
Other intangible assets - at cost	13,311,320	10,264,188
Less: Accumulated amortisation	(4,851,398)	(3,016,125)
	8,459,922	7,248,063
	26,135,211	24,616,002

Reconciliations

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

	Goodwill $	Other intangibles acquired $	Other intangibles Internally generated $	Total $
Consolidated				
Balance at 1 January 2016	17,192,743	3,907,665	2,660,022	23,760,430
Additions	-	-	1,790,742	1,790,742
Exchange differences	175,196	52,585	(111,148)	116,633
Amortisation expense	-	(308,704)	(743,099)	(1,051,803)
Balance at 31 December 2016	17,367,939	3,651,546	3,596,517	24,616,002
Additions	-	-	2,536,197	2,536,197
Exchange differences	307,350	55,570	108,325	471,245
Amortisation expense	-	(307,862)	(1,180,371)	(1,488,233)
Balance at 31 December 2017	17,675,289	3,399,254	5,060,668	26,135,211

Goodwill of $15,921,288 (2016: $15,653,090) is allocated to the Thailand cash generating unit ('CGU') after adjusting for foreign exchange rates at the balance sheet date.

Goodwill of $1,754,001 (2016: $1,714,849) is allocated to the Malaysian CGU after adjusting for foreign exchange rates at the balance sheet date.

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

Other intangible assets:

	Consolidated 2017 $	Consolidated 2016 $
Autospinn.com website (Thailand)	397,865	469,395
One2Car.com brand (Thailand)	2,295,672	2,257,001
One2Car.com customer base (Thailand)	705,716	925,150
Intangibles- Customer Relationship Management Platform	2,481,121	2,184,915
Intangibles-Websites and App development	2,474,842	1,281,952
Intangibles-Other	104,706	129,650
	8,459,922	7,248,063

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

The Group performed its annual impairment test at 31 December 2017. 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 2017, the market capitalisation of the Group was above the book value of its equity and therefore not an indicator of impairment. In line with accounting policy 2.4(j) the recoverable amount of CGU was determined using a value in use calculation.

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

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

	WACC rate	Long term growth rates
Malaysia	14.2% (2016: 15.2%)	3% (2016: 3%)
Thailand	13.2% (2016: 13.9%)	3% (2016: 3%)

The CGU’s are equivalent to the reportable segments.

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

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

Malaysia CGU

The Group used the CGU's value in use to determine the recoverable amount, which exceeded the carrying amount. The projected cash flows were updated to reflect the 5 year plan assumptions and a pre-tax discount rate of 14.2% (2016: 15.2%) was applied. A long term growth rate of 3% (2016: 3%) was used to extrapolate year 5 cash flows. Management have prepared scenarios to consider the effect of changes in growth rates, discount rate and terminal multiples.

The amount by which the recoverable amount exceeds the carrying amount for the Malaysia CGU is $29.0m. However if in isolation revenue decreases 28% over the 5 year cash flow then the recoverable amount would be equal to the carrying amount of the Malaysia CGU. No other reasonable possible changes in assumptions that would result in an impairment were identified by management.

Due to the adequate head room in the base scenario, the expected future macro-economic and consumer confidence in Malaysia, the current year performance of the CGU versus Budget and the business plans in place, it is not considered that an impairment exists as at 31 December 2017.

Thailand CGU

The Group used the CGU's value in use to determine the recoverable amount, which exceeded the carrying amount. The projected cash flows were updated to reflect the 5 year plan assumptions and a pre-tax discount rate of 13.2% (2016: 13.9%) was applied. A long term growth rate of 3% (2016: 3%) was used to extrapolate year 5 cash flows. Management have prepared scenarios to consider the effect of changes in growth rates, discount rate and terminal multiples.

The amount by which the recoverable amount exceeds the carrying amount for the Thailand CGU is $18.1m. However if in isolation revenue decreases 16% over the 5 year cash flow then the recoverable amount would be equal to the carrying amount of the Thailand CGU. No other reasonable possible changes in assumptions that would result in an impairment were identified by management.

Due to the adequate head room in the base scenario, the expected future macro-economic and consumer confidence in Thailand, the current year performance of the CGU versus Budget and the business plans in place, it is not considered that an impairment exists as at 31 December 2017.

13. Current liabilities - trade and other payables

	Consolidated	
	2017	**2016**
	$	**$**
Trade payables and accruals	1,752,039	2,538,969
Deferred revenue	914,974	811,351
	2,667,013	3,350,320

Refer to note 21 for further information on financial instruments.

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

14. Current liabilities – provisions

	Consolidated	
	2017	**2016**
	$	**$**
Employee benefits	171,116	82,040
Staff incentives and bonuses	919,003	867,534
Other	299,606	379,670
	1,389,725	1,329,244

The employee benefits category is composed of the compensated annual leave provision for the year. The 2017 carried forward balance is expected to be utilised by March 2018 in line with company leave policies.

The staff incentives and bonuses provision is expected to be paid to employees by the end of March 2018.

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

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

	Employee Benefits	Staff incentives & bonuses	Other
	$	$	$
Consolidated - 2017			
Carrying amount at the start of the year	82,040	867,534	379,670
Additional provisions recognised / foreign exchange differences	573,743	1,623,250	-
Amounts used	(484,667)	(1,571,781)	(80,064)
Carrying amount at the end of the year	171,116	919,003	299,606

15. Current liabilities – borrowings

Current liabilities – borrowings

	Consolidated	
	2017	**2016**
	$	**$**
Hire purchase	-	1,703
Shareholder loans	-	463,106
	-	464,809

In 2012 an unsecured loan of RM 1,500,000 equivalent to $463,106 as at 31 December 2016 was advanced to the group from a shareholder of Auto Discounts Sdn Bhd. Interest is charged at a rate of 8% per annum for the 5 years term of the loan generating an interest expense of $9,448 in 2017 Financial Year – see Note 6 Expenses. Interest is payable annually by 31 May. On 31 May 2017, the Group repaid the loan in full, which was equivalent to $467,844 at time of repayment.

Hire purchase are loans generated from the financing of company cars for the Group. The hire purchase loan is unsecured and was repaid during the year.

15. Current liabilities – borrowings (continued)

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

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

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

16. Non-current liabilities – Provisions

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

	Consolidated	
	2017	2016
	$	$
Indonesian pension plan	308,672	247,109
Net employee defined benefit liabilities	308,672	247,109

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

Net benefit expense (recognised in profit or loss)

	Consolidated	
	2017	2016
	$	$
Current service cost	93,474	85,377
Interest cost on net benefit obligation	19,335	12,624
Net benefit expense	112,809	98,001

16. Non-current liabilities – Provisions (continued)

Changes in the present value of the defined benefit obligation

	$
Defined benefit obligation at 1 January 2016	136,904
Interest cost	12,695
Current service cost	85,377
Benefits paid	-
Remeasurement gains/(losses)*	5,730
Exchange differences	6,403
Defined benefit obligation at 31 December 2016	**247,109**
Interest cost	19,648
Current service cost	93,474
Benefits paid	-
Remeasurement gains/(losses)*	(28,714)
Exchange differences	(22,845)
Defined benefit obligation at 31 December 2017	**308,672**

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

Principal assumptions in determining pension obligations

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

	2017	**2016**
Discount rate per annum	7.17%	8.37%
Annual salary increase	8.00%	10.00%
Pension age	55 years	55 years
Mortality rate	Indonesian Mortality Table 2011 (TMI 2011)	Indonesian Mortality Table 2011 (TMI 2011
Disability rate	10% from mortality rate	10% from mortality rate

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

	Impact on defined present value of benefit obligation	
	2017	**2016**
	$	**$**
Discount rate		
1% increase	254,671	209,967
1% decrease	347,850	292,415
Future salary cost increase		
1% increase	348,804	292,544
1% decrease	253,117	209,112

16. Non-current liabilities – Provisions (continued)

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

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

The weighted average duration of the defined benefit obligation at the end of the reporting period is 15.7 years.

17. Equity - issued capital

	Consolidated		Consolidated	
	2017 Shares	2016 Shares	2017 $	2016 $
Ordinary shares - fully paid	377,776,239	320,955,194	122,493,347	112,553,083

Movements in ordinary share capital

Details	**Date**	**No of shares**	**$**
Balance	31 December 2015	247,915,348	89,328,100
Issue of shares - STI/LTI to employees	4 March 2016	468,792	454,596
Issue of shares - Directors remuneration 2015 year	17 June 2016	346,381	300,001
Issue of shares - STI to employee	30 August 2016	349,673	267,502
Issue of shares - Share placement	7 September 2016	54,687,500	17,500,000
Issue of shares - Share placement	10 November 2016	17,187,500	5,500,000
Share issue costs			(797,116)
Balance	31 December 2016	320,955,194	112,553,083
Issue of shares - STI/LTI to employees	12 May 2017	667,886	209,166
Issue of shares - Directors remuneration 2016 year	23 June 2017	599,029	302,629
Issue of shares - Share placement[1]	12 December 2017	55,554,130	9,999,744
Share issue costs			(571,275)
	31 December 2017	377,776,239	122,493,347

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

17. Equity - issued capital (continued)

Ordinary shares

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

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.

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 2016 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.

Unlisted options
On 12 December 2017 the Group issued 55,554,130 ordinary shares as part of a non-renounceable rights issue. Each share had one unlisted option attached to it exercisable at $0.20 with an expiry date of 18 months from the date of issue. This totals 55,554,130 of available options at a potential value of $11,110,826,

During the year, the Group issued 3,750,000 options to Key Management Personnel (see Section D Share-based compensation in the Remuneration Report). The value of the options was $409,000.

18. Equity – reserves

	Consolidated	
	2017	2016
	$	$
Foreign currency reserve	(317,368)	(575,979)
Share-based payments reserve	1,478,417	1,191,254
Equity reserves	(10,965,292)	(10,965,292)
	(9,804,243)	(10,350,017)

18. Equity – reserves (continued)

	Foreign currency reserve	Share-based payments reserve	Equity reserves[1]	Total
	$	$	$	$
Consolidated				
Balance at 1 January 2016	(212,199)	1,078,144	(10,965,292)	(10,099,347)
Foreign currency translation	(363,780)	-	-	(363,780)
Shares issued during the year	-	(866,018)	-	(866,018)
Shares to be issued in lieu of directors remuneration	-	300,000	-	300,000
Shares to be issued in lieu of LTI	-	437,127	-	437,127
Shares to be issued in lieu of STI	-	242,001	-	242,001
Balance at 31 December 2016	(575,979)	1,191,254	(10,965,292)	(10,350,017)
Foreign currency translation	258,611	-	-	258,611
Shares issued during the year	-	(511,795)	-	(511,795)
Shares to be issued in lieu of directors remuneration	-	295,000	-	295,000
Executive variable remuneration	-	503,958	-	503,958
Balance at 31 December 2017	(317,368)	1,478,417	(10,965,292)	(9,804,243)

[1]Represents the excess paid for the acquisition of Auto Discounts Sdn Bhd (now iCar Asia Sdn Bhd) as a common control transaction using the pooling of interest method. This balance is not revalued and will not reverse in the future.

19. Equity - accumulated losses

	Consolidated 2017	Consolidated 2016
	$	$
Accumulated losses at the beginning of the financial year	(52,895,010)	(37,895,525)
Loss after income tax expense for the year	(13,377,600)	(14,999,485)
Accumulated losses at the end of the financial year	(66,272,610)	(52,895,010)

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 rates in terms of its cash held at bank.

	2017		2016	
	Weighted average interest rate	**Balance**	**Weighted average interest rate**	**Balance**
	%	**$**	**%**	**$**
Consolidated				
Cash at bank	1.93%	21,477,295	2.09%	27,077,808
Net exposure to cash flow interest rate risk		21,477,295		27,077,808

21. Financial instruments (continued)

Market risk (continued)

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

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

Consolidated - 2016	Basis points increase: Basis points change	Basis points increase: Effect on profit before tax	Basis points increase: Effect on equity	Basis points decrease: Basis points change	Basis points decrease: Effect on profit before tax	Basis points decrease: Effect on equity
Cash at bank	50	94,267	-	50	(94,267)	-

Credit risk

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

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

Liquidity risk

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

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

21. Financial instruments (continued)

Liquidity risk (continued)

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

Consolidated - 2016	Weighted average interest rate	1 year or less	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Remaining contractual maturities
	%	$	$	$	$	$
Non-derivatives						
Non-interest bearing						
Trade payables and accruals		2,538,969	-	-	-	2,538,969
Interest bearing						
Shareholder Loan	8%	463,106	-	-	-	463,106
Hire Purchase Loan		1,703	-	-	-	1,703
Total non-derivatives		3,003,778	-	-	-	3,003,778

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

Fair value of financial instruments

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

22. Key management personnel disclosures

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

Georg Chmiel	Executive
Patrick Grove	Non-executive
Lucas Elliott	Non-executive
Mark Britt	Non-executive (resigned 30 June 2017)
Syed Khalil Ibrahim	Non-executive
Mark Licciardo	Non-executive (resigned 30 September 2017)
Christopher Lobb	Non-executive (resigned 30 June 2017)
Peter Everingham	Non-executive (appointed 1 July 2017)
Richard Kuo	Non-executive (appointed 1 July 2017)
James Olsen	Non-executive (appointed 1 July 2017)

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

Hamish Stone	Chief Executive Officer
Joe Dische	Chief Financial Officer
Pedro Sttau	Chief Information Officer
Jonathan Adams	Chief Marketing Officer (appointed 7 April 2017)

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

	Consolidated	
	2017	**2016**
	$	**$**
Short-term employee benefits	1,413,767	1,532,214
Share-based payments	1,102,214	987,741
	2,515,981	2,519,955

There were no tax deferred shares granted during the year. Share-based payments refer to short-term, long term incentives, additional incentives and share options for key management personnel and director remuneration. See the Remuneration Report for further information.

23. Remuneration of auditors

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

	Consolidated	
	2017	2016
	$	$
Audit services - Ernst & Young		
Audit or review of the financial statements	215,000	214,560

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.

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 2017 cannot be ascertained and the Group believes that any resulting liability would not materially affect the position of the group.

25. Commitments

	Consolidated	
	2017	2016
	$	$
Lease commitments - operating		
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	526,324	473,881
One to five years	654,478	423,829
	1,180,802	897,710

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

The date that the premises leases terminate are as follows: Malaysia - May 2018 to November 2020, Thailand – March 2017 to January 2020 and Indonesia - May 2018 to December 2018.

The lease payments recognised in the profit and loss in 2017 were $480,151 (2016: $439,060).

26. Related party transactions

Parent entity
iCar Asia Limited is the parent entity.

Subsidiaries
Interests in subsidiaries are set out in note 28.

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

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

- $7,044 of public relation and communication services from Catcha Group Pte Ltd.
- $7,500 reimbursement of legal costs to Catcha Group Pte Ltd in relation to Loan Facility Agreement.

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

- $32,751 of sponsorship for Wild Digital SEA Event 2017

During the year the Group purchased company secretarial services to a value of $64,918 from Mertons Corporate Services Pty Ltd, the principal of which is Mark Licciardo who acted as Company Secretary throughout the year.

Director and director-related entities hold directly, indirectly or beneficially interests of 111,614,546 (2016: 88,949,438) in the ordinary shares of the company as at the reporting date. They also held 23,847,589 options (2016: nil).

Receivable from and payable to related parties
There was a payable to Catcha Group Pte Ltd for $7,044 in relation to services at the end of the current reporting period. There was also a payable to Mertons Corporate Services Pty Ltd for $5,410 in relation to the company secretarial services at the end of current reporting period.

At 31 December 2016, there was a payable to Redbook (Automated Data Services Pty Ltd, an 100% subsidiary of carsales.com Ltd- a major shareholder in iCar Asia Limited at that time) for $1,300 in relation to services. The transaction was on normal commercial terms.

Receivable from and payable to related parties (continued)
There were no other trade receivables from or trade payables to related parties at the current or previous reporting date

Loans to/from related parties
The Group has entered into a $5,000,000 loan facility with Catch Group Pte Ltd subject to shareholder approval. Refer to Note 15 Current liabilities - borrowings for more information.

27. Parent entity information

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

Statement of profit or loss and other comprehensive income

	Parent	
	2017	**2016**
	$	**$**
Loss after income tax	(22,808,748)	(27,655,021)
Total comprehensive income	(22,808,748)	(27,655,021)

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	
	2017	**2016**
	$	**$**
Total current assets	20,333,468	25,235,294
Total assets	95,636,763	81,883,924
Total current liabilities	1,544,833	272,045
Total liabilities	1,544,833	272,045
Net Assets	94,091,930	81,611,879
Equity		
Issued capital	122,903,201	112,957,088
Reserves	374,240	1,267,037
Accumulated losses	(29,185,511)	(32,612,246)
Total equity	94,091,930	81,611,879

28. Subsidiaries

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

Name of entity	Country of incorporation	Equity holding 2017 %	Equity holding 2016 %
iCar Asia Pte Ltd	Singapore	100	100
iCar Asia Management Services Sdn Bhd	Malaysia	100	100
Netyield Sdn Bhd	Malaysia	100	100
iCar Asia Sdn Bhd	Malaysia	100	100
PT Mobil Satu Asia	Indonesia	100	100
iCar Asia (Thailand) Limited *	Thailand	100	100
O2C Holdings (Thailand) Co. Ltd	Thailand	100	100
Perfect Scenery Ventures Limited	British Virgin Islands	100	100
One2Car Co., Ltd	Thailand	100	100

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

29. Events after the reporting period

No matter or circumstance has arisen since 31 December 2017 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

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

	Consolidated	
	2017	2016
	$	$
Loss after income tax expense for the year	(13,377,600)	(14,999,485)
Adjustments for:		
Depreciation, amortisation and impairment	1,799,953	1,319,429
Equity settled employee benefit	911,052	1,023,202
Doubtful debts expense	36,909	60,389
Employment costs capitalised	(1,383,626)	(1,249,664)
Exchange differences on translation of FX	(323,760)	(348,752)
Change in operating assets and liabilities:		
(Increase)/decrease in trade and other receivables	32,862	40,594
(Increase)/decrease in other assets	(156,978)	(45,421)
Increase/(decrease) in trade and other payables	(683,306)	1,174,134
Increase/(decrease) in provisions	(247,956)	449,961
Net cash used in operating activities	(13,392,450)	(12,575,613)

31. Earnings per share

	Consolidated	
	2017	2016
	$	$
Loss after income tax attributable to the owners of iCar Asia Limited and Controlled Entities	(13,377,600)	(14,999,485)
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	324,586,866	268,239,860
Weighted average number of ordinary shares used in calculating diluted earnings per share	324,586,866	268,239,860
	Cents	Cents
Basic loss per share	(4.12)	(5.59)
Diluted loss per share	(4.12)	(5.59)

Options and contingently issuable shares in relation to KMP remuneration would have adjusted the weighted average number of ordinary shares and this would have impacted the value of the diluted earnings per share. The details can be found in Note 32.

32. Share-based payments

Executive variable remuneration

Short term incentive plan (STI)

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

Long term incentive plan (LTI)

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

Options plan

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

Additional incentives

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

Performance targets

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

Directors Remuneration

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

Issue of shares

Details of shares issued to Directors and other key management personnel as part of compensation during the year ended 31 December 2017 are set out below:

	Financial Year	Category	Number of Shares granted up to 31 December 2017	Number of shares vested during 2017	Fair Value per share $	Fair value of shares $	Grant date	Vesting date	Issue date
Executive Director:									
G Chmiel	2016	Director Fees	15,618	15,618	0.505	7,890	February 2017	February 2017	June 2017
Non-Executive Directors:									
P Grove	2016	Director Fees[1]	118,765	118,765	0.505	60,000	February 2017	February 2017	June 2017
L Elliott	2016	Director Fees[1]	95,012	95,012	0.505	48,000	February 2017	February 2017	June 2017
S Di Gregorio	2016	Director Fees	47,115	47,115	0.505	23,802	February 2017	February 2017	June 2017
M Britt	2016	Director Fees	95,012	95,012	0.505	48,000	February 2017	February 2017	June 2017
C McIntyre	2016	Director Fees[2]	89,545	89,545	0.505	45,238	February 2017	February 2017	June 2017
A Bhatia	2016	Director Fees[2]	89,545	89,545	0.505	45,238	February 2017	February 2017	June 2017
S Khalil Ibrahim	2016	Director Fees	48,417	48,417	0.505	24,460	February 2017	February 2017	June 2017
Other Key Management Personnel:									
H Stone	2016	LTI	171,556	171,556	0.200	34,311	February 2017	February 2017	May 2017
	2016	LTI	128,667	-	0.200	25,733	February 2017	February 2018	March 2018
	2016	LTI	128,667	-	0.200	25,733	February 2017	February 2019	March 2019

	Financial Year	Category	Number of Shares granted up to 31 December 2017	Number of shares vested during 2017	Fair Value per share $	Fair value of shares $	Grant date	Vesting date	Issue date
Other Key Management Personnel:									
J Dische	2014	LTI	27,381	27,381	1.110	30,393	February 2015	February 2017	May 2017
	2015	LTI	81,140	-	0.910	73,837	February 2016	February 2018	March 2018
	2016	LTI	79,172	-	0.200	15,834	February 2017	February 2019	March 2019
	2016	STI	237,517	237,517	0.200	47,503	February 2017	February 2017	May 2017
J Caisse	2014	LTI	55,686	55,686	1.110	61,811	February 2015	February 2017	May 2017
P Sttau	2015	LTI	49,451	-	0.910	47,287	February 2016	February 2018	March 2018
	2016	LTI	116,120	116,120	0.200	23,224	February 2017	February 2017	May 2017
	2016	LTI	116,120	-	0.200	23,224	February 2017	February 2018	March 2018
	2016	LTI	116,120	-	0.200	23,224	February 2017	February 2019	March 2019

[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

Share based payments of $1,179,960 have been accrued in relation to 2017 in lieu of Directors Fees ($295,000), executive variable remuneration ($807,214) and employee remuneration ($77,746). The number of shares granted will be agreed at the meeting of the Nomination & Remuneration Committee in February 2018.

Options

In April 2017 and May 2017 3,750,000 share options were granted to certain senior executives. The senior executives must be employed by the company on the vesting date or the options lapse. All options will be settled in shares. The Company uses the Black-Scholes option valuation model to calculate the fair value of share purchase options at the date of grant, taking into account the terms and conditions upon which the options were granted. The fair value of options granted during the year ended 31 December 2017 was estimated on the date of grant using the following assumptions:

Dividend yield	0%
Expected votality	76%
Risk-free interest rate	1.8%

The table below discloses the number of share options granted, vested or lapsed during the year.

Key management personnel	Financial year	Options awarded during the year No.	Awarded date	Fair value per option at award date ($)	Vesting Date	Exercise price	Expiry date	No. vested during the year	No. lapsed during the year	Value of options granted during the year
G Chmiel (Chairman)	2017	1,000,000	26 May 2017	$0.129	31 December 2019	$0.40	31 December 2021	-	-	129,000
H Stone (CEO)										
Option 1	2017	750,000	26 May 2017	$0.127	26 May 2019	$0.40	26 May 2022	-	-	95,250
Option 2	2017	750,000	26 May 2017	$0.100	26 May 2019	$0.60	26 May 2022	-	-	75,000
Option 3	2017	1,000,000	26 May 2017	$0.082	26 May 2019	$0.80	26 May 2022	-	-	82,000
J Adams (CMO)	2017	250,000	3 April 2017	$0.111	31 December 2019	$0.40	31 December 2022	-	-	27,750

The weighted average fair value of the options granted during the six month period was $0.11.

Options holdings of KMP							
Key management personnel	**Balance 1 January 2017**	**Granted as remuneration**	**Options exercised**	**Net change other**	**Balance 31 December 2017**	**Exercisable**	**Not exercisable**
G Chmiel (Chairman)	-	1,000,000	-	11,312	1,011,312	-	-
H Stone (CEO)	-	-	-	117,107	117,107	-	-
Option 1	-	750,000	-	-	750,000	-	-
Option 2	-	750,000	-	-	750,000	-	-
Option 3	-	1,000,000	-	-	1,000,000	-	-
J Dische (CFO)	-	-	-	89,790	89,790	-	-
J Adams (CMO)	-	250,000	-	-	250,000	-	-

There were no options exercised during the year.

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 2017 and of its performance for the financial year ended on that date; and

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

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

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

On behalf of the directors

Georg Chmiel
Executive Chairman

Kuala Lumpur
22 February 2018

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Independent Auditor's Report to the Members of iCar Asia Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of iCar Asia Limited (the Company), including its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 31 December 2017, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

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

(i) giving a true and fair view of the Group's financial position as at 31 December 2017 and of its consolidated financial performance for the year ended on that date; and

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

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the *Corporations Act* 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES110 *Code of Ethics for Professional* Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Key Audit Matters

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

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

Impairment testing of goodwill and intangible assets

Why significant	How our audit addressed the key audit matter
At 31 December 2017, goodwill of $17.7 million and other intangibles of $8.5 million was recorded in the consolidated statement of financial position. Testing the carrying value of goodwill and other intangibles for impairment was a key audit matter due to: • The inherent complexity in auditing the forward-looking assumptions applied to the Group's value in use ("VIU") models for each cash generating unit ("CGU") given the significant judgement from the Group involved. The key assumptions in the cash flow models included forecast revenue and expense growth rates and terminal growth rate which differ in each CGU due to the maturity of the respective regions of operation. • The significant judgements incorporated in the Group's determination of discount rates used for each CGU and the challenges associated with auditing these discount rates to assess whether they reflected the specific risks of the primary regions the Group operates in. The Group's disclosures in relation to goodwill are included in Note 12, which specifically explain the sensitivity of changes in the key assumptions which could give rise to an impairment of the non-current assets (including goodwill) balance in the future.	We performed the following procedures, amongst others: • Evaluated whether the determination of CGUs was in accordance with Australian Accounting Standards. • Assessed the application of the VIU valuation methodology applied. • Assessed the key inputs and assumptions including board approved cash flow forecasts, discount rates and growth rates adopted in the valuation. • Compared the cash flows used in the VIU valuation to the actual and budgeted financial performance of the underlying CGUs and considered the historical reliability of the Group's cash flow forecasting. • Performed sensitivity analysis on the key assumptions to determine whether any reasonable possible changes would result in an impairment charge. • Compared revenue and earnings multiples derived from the Group's VIU model to those observable from external market data of comparable listed entities, where available. • Compared certain key assumptions used by the Group to external market data such as passenger car sales, GDP per capita, and internet and mobile phone penetration, where applicable. • Assessed the adequacy of the related disclosures made in the financial report. Our valuation experts were involved in the performance of the procedures, where considered appropriate.

Revenue recognition

Why significant	How our audit addressed the key audit matter
The Group earns revenue from media advertising, classifieds subscriptions, depth products, commissions and exhibition fees. The Group regularly develops new product offerings to generate revenue growth. The nature of the risk associated with recording revenue in accordance with accounting standards varies by source and there is an increased risk for new product offerings where the pattern of revenue recognition may require increased consideration and judgement by the Group. We recognise that revenue is a key metric upon which the Group's performance is measured, that the Group has annual internal targets, and employee incentive schemes that are impacted by revenue dollar growth.	At each of the Group's operations with significant revenue streams, we performed the following procedures, amongst others: • Assessed the Group's revenue recognition policies adopted and the processes to record revenue for each material revenue stream. • Evaluated the appropriateness of journal entries impacting revenue, as well as other adjustments made in the preparation of the financial statements. • Considered any significant unusual or one-off journal entries identified and evaluated management's controls over such adjustments. • Inspected a sample of customer agreements to determine whether revenue recognised was in accordance with the contract terms and the Group's revenue recognition policies. • For revenue streams which have judgemental elements, evaluated the appropriateness of management's assumptions.

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

The directors are responsible for the other information. The other information comprises the information in the Group's Annual Report for the year ended 31 December 2017, but does not include the financial report and the auditor's report thereon. We obtained the Directors report (including the remuneration report) that is to be included in the Annual Report, prior to the date of our auditor's report, and we expect to obtain the remaining sections of the Annual Report after the date of this auditor's report.

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

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

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

Responsibilities of the Directors for the Financial Report

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

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

Auditor's Responsibilities for the Audit of the Financial Report

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

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

  Conclude on the appropriateness of the directors' use of the going concern basis of accounting in the preparation of the financial report. We also conclude, based on the audit evidence obtained, whether a material uncertainty exists related to events and conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the disclosures in the financial report about the material uncertainty or, if such disclosures are inadequate, to modify the opinion on the financial report. However, future events or conditions may cause an entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 15 to 32 of the Directors' Report for the year ended 31 December 2017. In our opinion, the Remuneration Report of iCar Asia Limited for the year ended 31 December 2017, complies with section 300A of the *Corporations Act 2001.*

Responsibilities

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

Ernst & Young

Ernst & Young

BJ Pollock
Partner

Melbourne
22 February 2018

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

ASX Listing Rule 4.10.19

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

Distribution of equitable securities

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

	Total holders of ordinary shares	Units
1 to 1,000	320	167,937
1,001 to 5,000	844	2,507,953
5,001 to 10,000	531	4,109,930
10,000 to 100,000	1,323	44,334,451
100,001 and over	219	326,655,968
	3,237	377,776,239
Holding less than a marketable parcel	515	442,267

Equity security holders

Twenty largest quoted equity security holders

The names of the twenty largest security holders of quoted equity securities are:	Ordinary shares	
	Number held	% of total shares issued
ICQ HOLDINGS SDN BHD	52,500,000	13.90
CARSALES COM LIMITED	50,373,365	13.33
CATCHA GROUP PTE LTD	35,452,484	9.38
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	29,221,287	7.74
J P MORGAN NOMINEES AUSTRALIA LIMITED	25,977,178	6.88
CITICORP NOMINEES PTY LIMITED	22,309,979	5.91
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	12,512,631	3.31
AUSTRALIAN FOUNDATION INVESTMENT COMPANY LIMITED	11,063,538	2.93
AUSTRALIAN FOUNDATION INVESTMENT COMPANY LIMITED	9,092,677	2.41
BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	5,451,267	1.44
MIRRABOOKA INVESTMENTS LIMITED	4,509,320	1.19
TARGET RANGE PTY LTD	3,142,068	0.83
TIMSIM HOLDINGS PTY LTD <NO 2 A/C>	2,872,413	0.76
HOLDEX NOMINEES PTY LTD <NO 392 A/C>	2,000,000	0.53
MR JOHN DAVID WHEELER + MR GLEN ROBERT WHEELER <WHEELSUP S/F A/C>	1,750,000	0.46
ALCOCK SUPERANNUATION FUND PTY LTD <ALCOCK SUPER FUND A/C>	1,687,920	0.45
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED <EUROCLEAR BANK SA NV A/C>	1,500,176	0.40
MR MICHAEL STEWART BUNKER	1,500,000	0.40
EMINENT HOLDINGS PTY LTD	1,465,517	0.39
MRS SUSAN HADDEN + MRS ABBY FALLA <HADDUP SUPER FUND A/C>	1,250,000	0.33
	275,631,820	**72.97**

Unquoted equity securities

There are no shares held in escrow

Substantial holders

The names of substantial shareholders of the Company (holding not less than 5%) who have notified the Company in accordance with Section 671B of the Corporations Act 2001 are set out below:	Ordinary shares	
	Number held	**% of total shares issued**
Catcha Group Pte Ltd	109,076,402	28.87
carsales.com Ltd	50,083,433	13.30
PM Capital Limited	29,221,288	7.74
Australian Foundation Investment Company Limited	20,156,215	5.34
	208,537,338	**55.25**

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	Georg Chmiel (Executive Chairman) Patrick Grove Lucas Elliott Syed Khalil Ibrahim Peter Everingham Richard Kuo James Olsen
Group Chief Executive Officer	Hamish Stone Hamish.Stone@icarasia.com
Group Chief Financial Officer	Joe Dische Joe.Dische@icarasia.com
Joint Company Secretary	Mark Licciardo markl@mertons.com.au Belinda Cleminson belindac@mertons.com.au
Registered office	Level 7 330 Collins Street Melbourne VIC 3000 Australia Tel. +61 (3) 8689 9997 Fax. +61 (3) 9620 4709
Principal place of business	Suite 18.01- 3, Level 18, Centerpoint North Tower, Mid Valley City Lingkaran Syed Putra, 59200 Kuala Lumpur Malaysia Tel. +60 (3) 2776 6000 Fax. +60 (3) 2776 6010
Share register	Computershare Pty Ltd Yarra Falls 452 Johnston Street Abbotsford VIC 3067 Australia Tel. +61 (3) 9415 5000 www.computershare.com
Auditor	Ernst & Young 8 Exhibition Street Melbourne VIC 3000 Australia
Stock exchange listing	iCar Asia Limited and Controlled Entities shares are listed on the Australian Securities Exchange (ASX code: ICQ)
Website	www.icarasia.com
Corporate Governance Statement	http://www.icarasia.com/investor-relations/corporate-governance/