COASSETS LIMITED

ACN 604 341 826

Appendix 4E

Year ended 30 JUNE 2018

Comparative period: Year ended 30 June 2017

Results for announcement to the market

				30 June 2018 S$
Revenue from ordinary activities	up	697%	to	5,830,282
Profit from ordinary activities after tax attributable to members	up	from a loss of $6,258,854	to	1,980,702
Net Profit for the period attributable to members	up	from a loss of $6,258,854	to	1,980,702

No dividends have been paid or are proposed

A statement of comprehensive income, statement of financial position, statement of cash flows, statement of changes in equity, segmental results and associated notes are contained within the attached annual report, which also contains a comprehensive review of the performance of the Group during the period within the Chairman's letter and Director's report

	30 June 2018 cents	30 June 2017 cents
Net Tangible Assets per security	6.1	2.7

Control has not been gained or lost over any entities during the period.

The Group has one associate, details of which are provided within the attached annual report. The Group has no joint ventures.

The financial report attached has an unqualified independent audit report.

ANNUAL REPORT 2018

COASSETS LIMITED

ACN 604 341 826

ANNUAL REPORT

30 JUNE 2018

CONTENTS

DIRECTORS

Getty Goh Te-Win
CEO and Executive Chairman

Seh Huan Kiat
CTO

Nicholas Ong
Non-executive Director

Jeffrey Chi
Non-executive Director

David Garry
Non-executive Director

COMPANY SECRETARY
Swapna Keskar

AUDITORS
DFK Laurence Varnay
Level 12 222 Pitt Street
Sydney NSW 2000

REGISTERED OFFICE
c/o Company Matters
Level 12 680 George Street
Sydney NSW 2000
Telephone: +61 2 8280 7355
Facsimile: +61 2 9287 0350

STOCK EXCHANGE LISTING
CoAssets Limited shares
are listed on the Australian
Securities Exchange
Code: CA8

SHARE REGISTRY
Security Transfer Registrars Pty Ltd
770 Canning Highway
Applecross, WA 6153
+61 8 9315 2333

COMPANY WEBSITE
www.coassets.com

COASSETS LONG-TERM VISION

SERVING OUR USERS BETTER

CHAIRMAN'S LETTER

Dear Shareholder[1],

We have been working very hard in the last 12 months to turn the Company around. We wanted to restore the confidence in investors by showing that the Company can be profitable. As a result of the team's collective hard work, I am pleased to share that we had a profitable 2018. This is our first full profitable year post listing and represents a significant turnaround in the Company's performance. Some highlights of our performance from 1 July 2017 to 30 June 2018 (FY2018) are as follows:

- CoAssets' (also referred to as the "Company" or "the Group") revenue grew to S$5.83million in 2018, as compared to S$0.73million in 2017. This is a revenue jump of about 697%.
- Net operating income grew to S$4.85million in 2018, as compared to S$461,003 in 2017. This is an increase of more than 953%.

[1] To avoid confusion in the shareholder report, investors refer to individuals who invested in CoAssets shares; while crowdfunders, funders and users will refer to individuals who invested in deals offered by the CoAssets Group.

- Operating expense dropped to S$5.36million in 2018, down from S$6.20million in 2017. This is a savings of about 14%.
- In terms of total comprehensive income, the Company made a profit of S$1.81million in 2018, as compared to a loss of S$6.36million in 2017.

CoAssets Long-Term Vision – Serving Our Users Better

Now that CoAssets has demonstrated its ability to execute and turn things around, the important question is what our long-term vision is? Where do we go from here? Let me share my thoughts…

When the Company first started, we positioned ourselves as a crowdfunding platform that helped companies gain access to alternative sources of funding. Over time, we realized that there is a sizable market of retail investors who are currently underserved and looking for higher yielding investment opportunities. These are typically individuals in professional and management roles that do not qualify as accredited (or sophisticated)[2] investors, yet are hungry to grow their wealth and have dabbled (or are willing to dabble) in alternative investments.

To provide some perspective, based on Singapore's Department of Statistics, the percentage of households with monthly household income between S$10,000 per month to S$19,999 per month in 2017, formed about 23.7%[3] of Singapore's resident households[4]. With the number of resident households in 2017 as 1,289,900[5], this group of underserved users may be as many as 300,000. Based on our current conversion rate of about 2% and the average investment amount of S$80,000, the potential funding market may be as much as S$480million in Singapore alone. This number will be considerably bigger if we were to factor the China market into the equation.

We felt that this presented an opportunity for us to utilize the crowdfunding platform as an investor book build – giving pre-qualified investors the opportunity to partake in our Group's corporate loan deals by lending directly to CoAssets International Pte Ltd (CAI). In terms of our corporate loan book, we have been actively growing it and more than S$18million worth of corporate loans have been deployed since September 2016. The annualised weighted average return of our corporate loan book is more than 24% and the write-off rate, when borrowers are declared bankrupt, is

[2] In Singapore, Accredited investor (AI) is defined in Section 4A(1)(a) of the Securities and Futures Act (SFA), Chapter 289 as an individual whose net personal assets exceed in value the minimum amount of S$2million (or equivalent in foreign currency) or whose income in the preceding 12months is not less than S$300,000. This is similar to the Sophisticated Investor (SI) criteria under Australia's Corporate Law, where individuals that have a gross income of A$250,000 or more in each of the previous two years or have net assets of at least A$2.5million may obtain SI certification.

[3] http://www.tablebuilder.singstat.gov.sg/publicfacing/createSpecialTable.action?refId=15479.

[4] A resident employed household refers to a household headed by a Singapore citizen or permanent resident and with at least one working person.

[5] https://data.gov.sg/dataset/resident-households-by-type-of-dwelling-annual.

less than 1.5%. The high returns and low write-off rate have generated good returns for CoAssets and we have been able to consistently repay our users on time. This has resulted in greater confidence and we have seen more than 70% of our users reinvesting into CAI.

The response has been very encouraging and we believe that this will be one of the Company's key growth areas in the near- to mid-term. One of the near-term plans was to establish an accredited-investor fund to grow the corporate lending business further, and I am pleased to share that the CoAssets Stirling Fort Absolute Return (CASFAR) Fund was successfully launched on 26 Jul 2018.

So, how does all this gel with the Company's long-term vision? We aim to be an online financial platform that can help our users growth their wealth. Allowing pre-qualified users to partake in our Group's corporate loans is only one service. Having stabilized the business, we want to revisit the crowdfunding aspect of our business. Specifically, we want to explore the possibility of incorporating features like auto funds allocation, shortening the due diligence and know-your-client (KYC) process, reducing the minimum investment amount, etc. Beyond that, we hope to provide our users with other types of financial products in time to come. If we take a step back and look beyond crowdfunding, there are many more financial services that we can provide to our 400,000+ users – and this is how the phrase "serving our users better" will guide our Group's long-term growth vision.

Conclusion

Apart from our longer-terms plans, I would also like to share my thoughts on our share price. I have also been asked questions about our share price and whether the Company intends to do anything about it. It is understandable that shareholders would want to know how these business developments translate to increasing CoAssets' overall value.

Putting things into the right perspective, the last 12 months were focused on getting the Company's fundamentals right. If we were unable to turn things around, no amount of investor relations would be useful. Now that we have better financial results, the Company intends to restart its investor relation efforts. Having said that, I would like to remind existing investors that engagement with the wider investment community takes time. I do not expect to see results happen overnight and there may be periods where our share price does not reflect the value (or potential) of the Company. Nonetheless, I firmly believe that as long as we continue to work hard to grow the Company, deliver new services to our users, and increase our profit margin, our share price will eventually sort itself out.

To conclude, I would like to thank all our long-term investors for sticking with the Company through challenging times. The board of directors looks forward to another exciting year ahead and we aim to deliver on the Company's objectives to reward shareholders, existing and new, with continued growth.

Getty Goh
Executive Chairman

24 August 2018

Office Inauguration Ceremony 2018

Hall Of Fame 2018

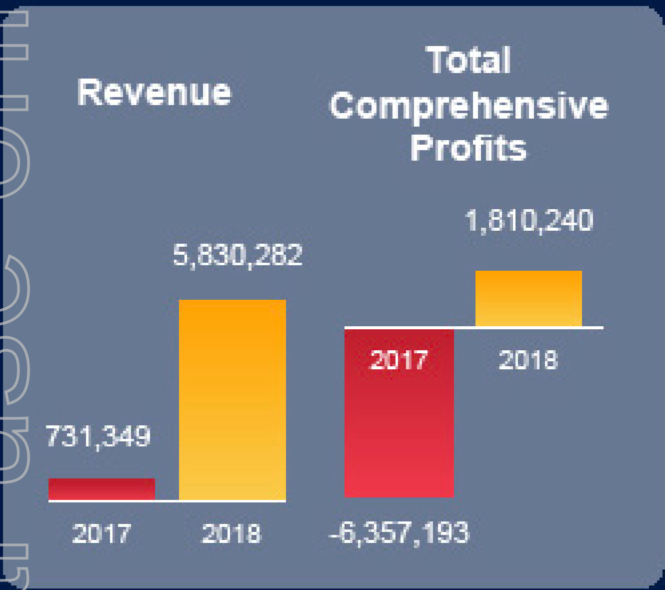
CoAssets' Sales Retreat 2018

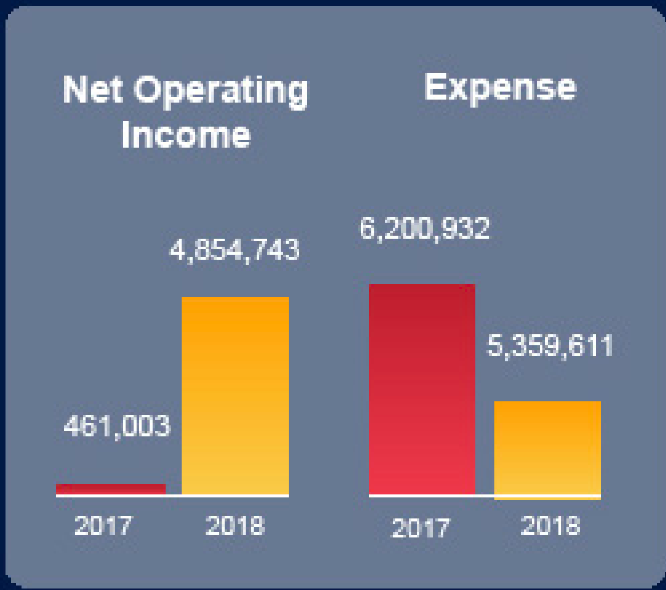
CoAssets' Investor Night 2018

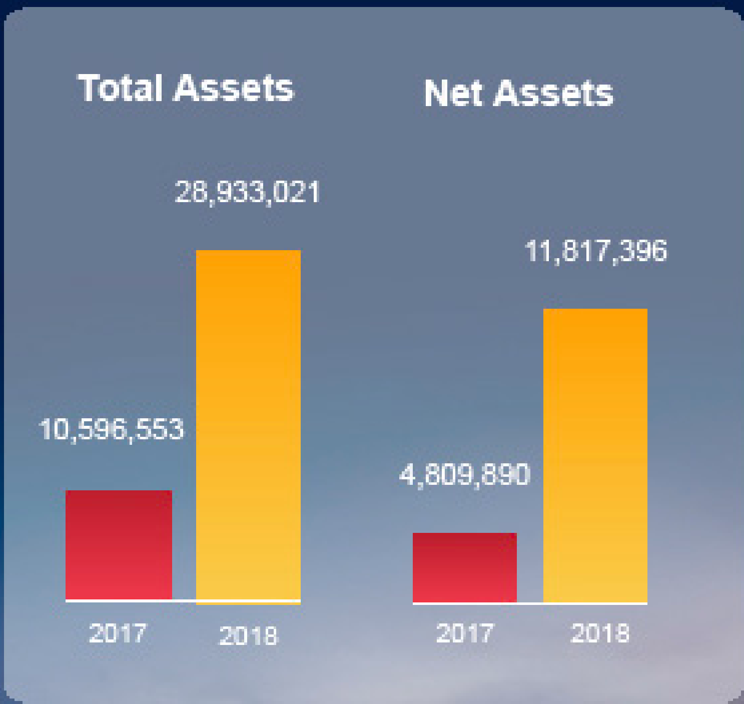
OVERVIEW

KEY NUMBERS IN SGD

(Not to scale)







DIRECTORS' REPORT

DIRECTORS' REPORT

Your directors present their financial report of the consolidated entity consisting of CoAssets Limited ("CA8 or the "Company") and the entities it controlled at the end of, or during the period (together the "Group") ended 30 June 2018. All amounts are stated in Singapore dollars (S$) unless otherwise noted.

DIRECTORS OF COASSETS LIMITED

The names of each person who has been a director during the period and who continue in office at the date of this report (unless otherwise stated) are:

Getty Goh Te-Win
(Chief Executive Officer)

Seh Huan Kiat
(Chief Technology Officer)

Chen Chik (Nicholas) Ong
(Independent Non-executive Director)

Jeffrey Chi
(Independent Non-executive Director)

David Garry
(Independent Non-executive Director)

INFORMATION ON DIRECTORS DURING AND SINCE THE END OF THE FINANCIAL YEAR UNDER REVIEW

Getty Goh Te-Win (Appointed 18 March 2015; Executive Chairman since 1 March 2017)

(Executive Chairman and a member of the Audit & Risk Committee)

Mr Goh is the Chief Executive Officer and co-founder of CoAssets Pte Ltd. He holds both a Bachelor in Building Science and a Masters of Real Estate from National University of Singapore. Mr Goh resides in Singapore.

Directorships in the Last Three Years

Mr Goh did not serve as a Director of any other listed companies in the last three years.

Huan Kiat Seh (Appointed 18 March 2015)

(Executive Director and a member of the Remuneration and Nomination Committee)

Dr Seh is a co-founder of CoAssets Pte Ltd. He holds a Bachelors degree from Imperial College London and a PhD from Massachusetts Institute of Technology. Before working on CoAssets, he worked at Intel for six years, managing suppliers in Japan and Taiwan. During that time he deployed and managed supplier data portals for rapid manufacturing data exchanges and real-time reporting. Dr Seh is in charge of product and IT architecture design. Dr Seh resides in Singapore.

Directorships in the Last Three Years

Dr Seh did not serve as a Director of any other listed companies in the last three years.

Chen Chik (Nicholas) Ong (Appointed 18 March 2015; Non-Executive Chairman to 1 March 2017)

(Independent Non-executive Director, a member of the Audit & Risk Committee and Chairman of the Remuneration & Nomination Committee)

Mr Ong was a Principal Adviser at the Australian Securities Exchange in Perth and brings ten years' experience in listing rules compliance and corporate governance. He was an active member of the ASX JORC Group and has overseen the admission of over 100 companies to the official list of the ASX. Mr Ong is a member of the Governance Institute of Australia and holds a Bachelor of Commerce and a Master of Business Administration from the University of Western Australia. Mr Ong resides in Western Australia.

Directorships in the Last Three Years

Excelsior Gold Limited (ASX:EXG) (resigned 22 September 2016)

Fraser Range Metals Group Ltd (ASX:FRN) (resigned 8 March 2016)

Auroch Minerals Limited (ASX:AOU) (resigned 29 June 2016)

Tianmei BG Corp Ltd (ASX: TB8) (resigned 15 February 2018)

Arrow Minerals Limited (ASX: AMD) formerly known as Segue Resources Limited (ASX:SEG) (current)

Vonex Limited (ASX: VN8) (current)

Jeffrey Chi (Appointed 15 February 2016)

(Independent Non-executive Director, Chairman of the Audit & Risk Committee and member of the Remuneration & Nomination Committee)

Dr. Chi is a Managing Director of Vickers Venture Partners, and a member of its Investment Committee and is currently Ambassador and Former Chairman of the Singapore Venture Capital & Private Equity Association. Dr. Chi also sits on the Engineering & Technology Management Departmental Consultative Committee at the National University of Singapore. Dr. Chi is a Chartered Financial Analyst holder, and graduated from Cambridge University with 1st Class Honours in Engineering. He earned his PhD from the Massachusetts Institute of Technology in Organizational Knowledge and Information Technology.

Directorships in the Last Three Years

Dr Chi did not serve as a Director of any other listed companies in the last three years.

David Garry (Appointed 1 March 2017)

(Independent Non-executive Director and a member of the Audit & Risk Committee)

David has a wealth of experience in the Australian Small and Medium Enterprise (SME) sector. He is Fellow of the Institute of Company Directors, Governance Institute of Australia, as well as the Institute of Public Accountants. He was involved in listing his own firm David Garry Holdings Limited on the ASX in 1991. David has previously owned a Public Company in the financial services industry with A$45million funds under management. The business was acquired and vended into a larger organisation.

Directorships in the Last Three Years

Dr Garry did not serve as a Director of any other listed companies in the last three years.

COMPANY SECRETARY

Ms Swapna Keskar, (a Company Matters' practitioner) was appointed as the Company Secretary on 7 March 2017. Company Matters is a specialist Company Secretarial and Governance Advisory services provider. Swapna has been a member of the Company Matters' team since 2007, having performed many secondments at Company Matters' S&P/ASX 100 clients during this time, including with Lendlease, Qantas and the Commonwealth Bank of Australia and is the company secretary of a number of unlisted companies. Previously, Swapna was a Company Secretary at ASX listed Ainsworth Game Technology Limited and prior to that, Swapna was part of a specialist company secretarial services team in India. Ms Keskar is a member of the Governance Institute of Australia, the Institute of Company Secretaries and Administrators, UK and the Institute of Company Secretaries of India.

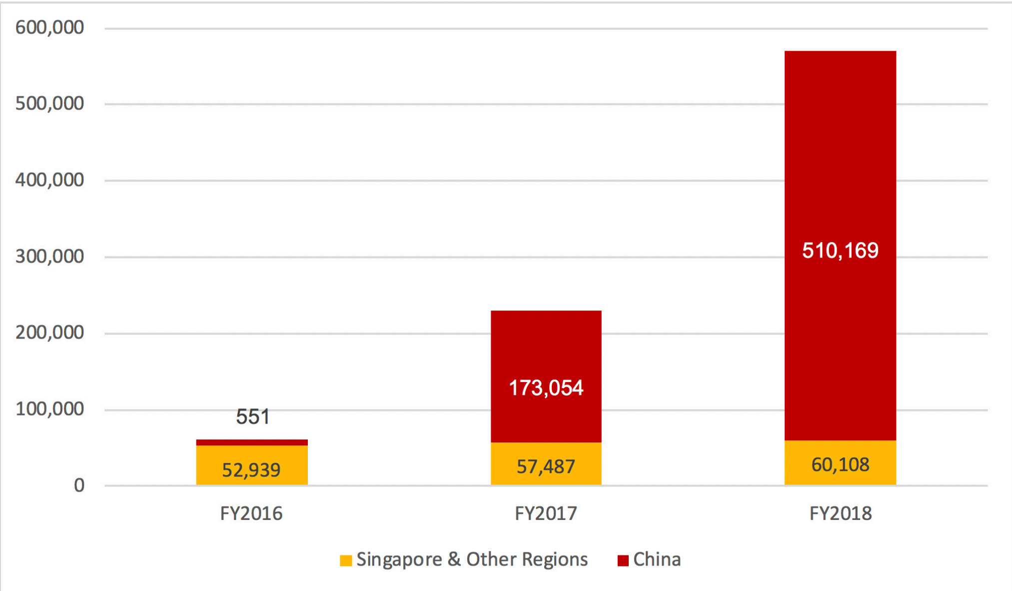
PRINCIPAL ACTIVITIES IN THE LAST 12 MONTHS

Overview

CoAssets Ltd (ASX: CA8) started as a crowdfunding platform to match investors to exclusive deals. As business grew, services offered by CoAssets gradually expanded to offer a wide variety of financial technology solutions to serve the needs of our registered investors.

In terms of registered investors on the CoAssets platform, we have seen strong growth in the last 12 months and currently have more than 570,000 registered users in total. Of the 570,000 users, about 90% are from China while the rest are from Singapore and the surrounding region.

Registered Investor Growth on the CoAssets platform for the last 3 years



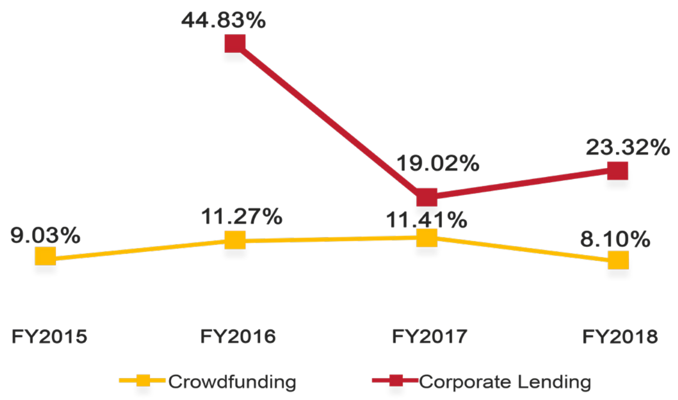
These registered investors are an essential part of CoAssets business as they are a source of investments for the deals on our platform as well as the corporate loan book. Having reached a critical size of more than 570,000, the Group will start to focus on increasing conversion of these registered investors by offering them a wider array of financial products and services. At present, the investor conversion for Singapore and China is 2.33% and 0.10% respectively. Hence, it indicates that there is a huge room for growth as the Group embarks on converting these registered investors into active investors.

SINGAPORE OPERATIONS: CROWDFUNDING VS CORPORATE LENDING

The key business activities in the Singapore market are crowdfunding via CoAssets Pte Ltd and corporate lending via CoAssets International Pte Ltd. In the case of crowdfunding, companies borrow directly from funders and CoAssets simply performs an intermediary role. In the case of corporate lending, the Group lends to directly to the companies and funds come directly from the Company's balance sheet.

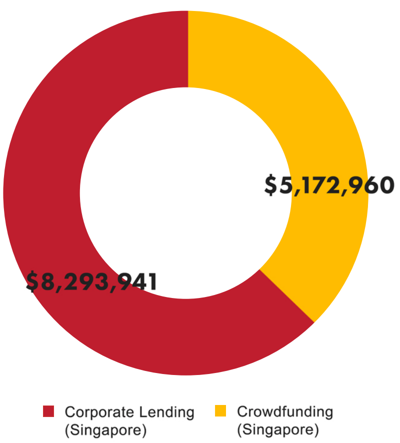
A key difference between the 2 services is in the average cost of funds that companies pay for the loan. In terms of crowdfunding, as borrowers can set their own rates, the average cost of funds ranges between 8% and 12%. However, one major drawback is that successful funding campaigns are not guaranteed and companies run the risk of not getting the funding they need.

Cost of funds: Comparison of the Annualised Weighted Average Returns paid to borrowers between Crowdfunding and Corporate Lending[8] deals



On the other hand, the average cost of funds for corporate lending deals ranges between 19% and 45%. Despite the higher costs, companies know that they will be getting the funds they need if they clear the Company's due diligence. Despite the higher cost of funds, we saw stronger growth in our corporate lending in FY2018.

Volume of Singapore's Corporate Lending and Crowdfunding for FY2018



To date, we have disbursed more than S$18.56million worth of corporate loans with overall annualised weighted average returns of 24.11% and a write-off rate of 1.19%. The strong growth, good returns and low write-off rate indicates that this is a viable business segment, hence it will be an area that the Group will continue to grow in FY2019.

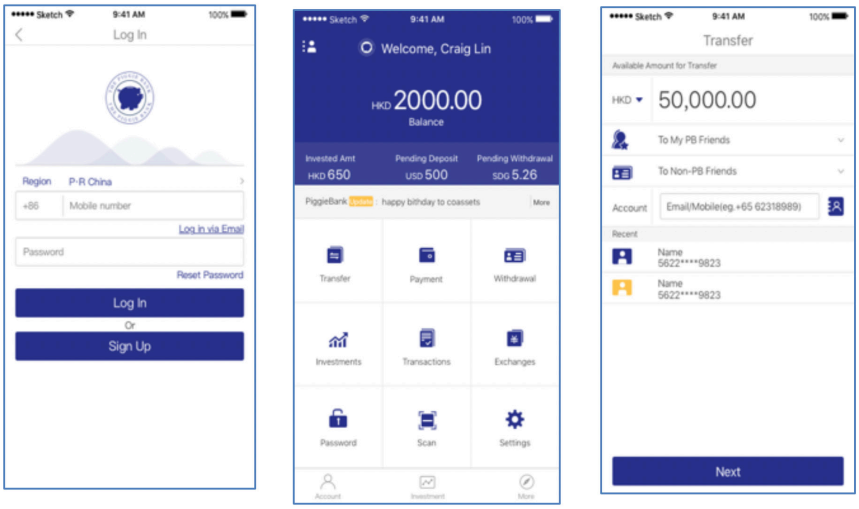
8. Prior to Sep 2016, CoAssets primarily focused on developing the crowdfunding capability. CoAssets only grew the corporate lending business after Jan 2017.

HONG KONG OPERATIONS: INCREASING BUSINESS OPERATIONS

The Group engages in 2 key financial technology activities in Hong Kong – online corporate cash management via Fintech Pte Ltd and online lending via Brighten Finance Ltd.

On the back of CoAssets' acquisition of Fintech Pte Ltd (FPL) in Apr 2017, the Group has been increasing its business operations in Hong Kong. In the last 12 months, the Group focused on developing the platform further as well as incorporating additional features (i.e. currency conversion, e-wallet, etc.) in accordance to the platform's users requirements. The platform is primarily used by a close group of businesses and the total cash handled by the platform, as at 30 Jun 2018, is more than HK$131million[9].

Screen capture of Piggiebank App



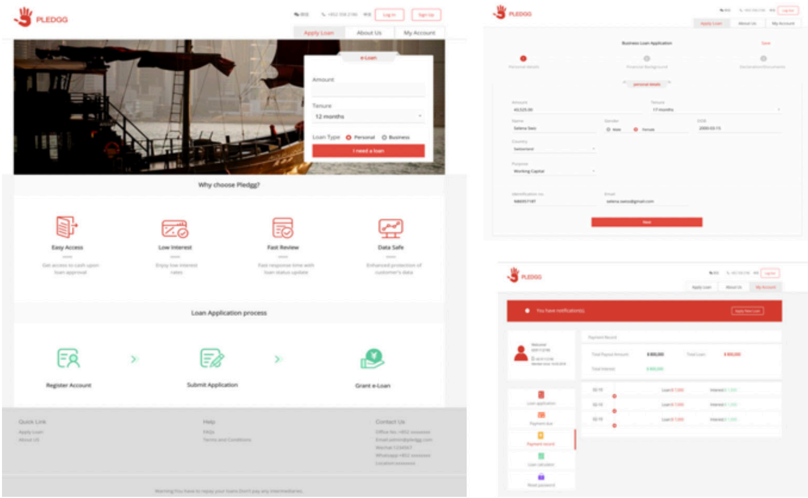
On 27 April 2018, the Company entered into a conditional Sale and Purchase Agreement ("SPA") to sell its 27% interest that it currently owns in FPL to Atlas Culture Entertainment & Media Investment Limited ("ACEMIL"). This transaction is subject to shareholder approval. The sale is in a form of share swap which involved the transfer of 6,480 shares in FPL to ACEMIL, for consideration of 39,690,000 shares in ACEMIL at a deemed issue price of HK$1 per share. Subsequent to the above share swap taking effect, the Group will continue to provide technical support to FPL for a period of 2 years. To safeguard CoAssets' interest, in the event that the shares in ACEMIL do not realise a value of HK$39.69 million or more within 2 years from the date of the SPA, the Group has the right to unwind the deal and to buy back the 6,480 shares in FPL from ACEMIL at the same terms.

Apart from growing the online cash management system, another key focus of the Group is in growing the online lending business. On 1 September 2017, CoAssets announced that it would acquire 25% of Brighten Finance Limited (BFL), a licensed money lending company in Hong Kong. The Group has developed and launched an online lending platform for borrowers in Hong Kong to apply for a loan. Other features that the online lending platform offers include the tracking of repayment and late fees. To date, BFL has loaned out a total of HK$47.16million in the last 12 months.

Moving forward, CoAssets is in the process of developing an online risk assessment tool to help with the deal assessment.

[9] Based on the exchange rate of HK$1:SG$0.17 and HK$1:US$0.13 dated 1 Aug 2018.

Pledgg - the online lending platform



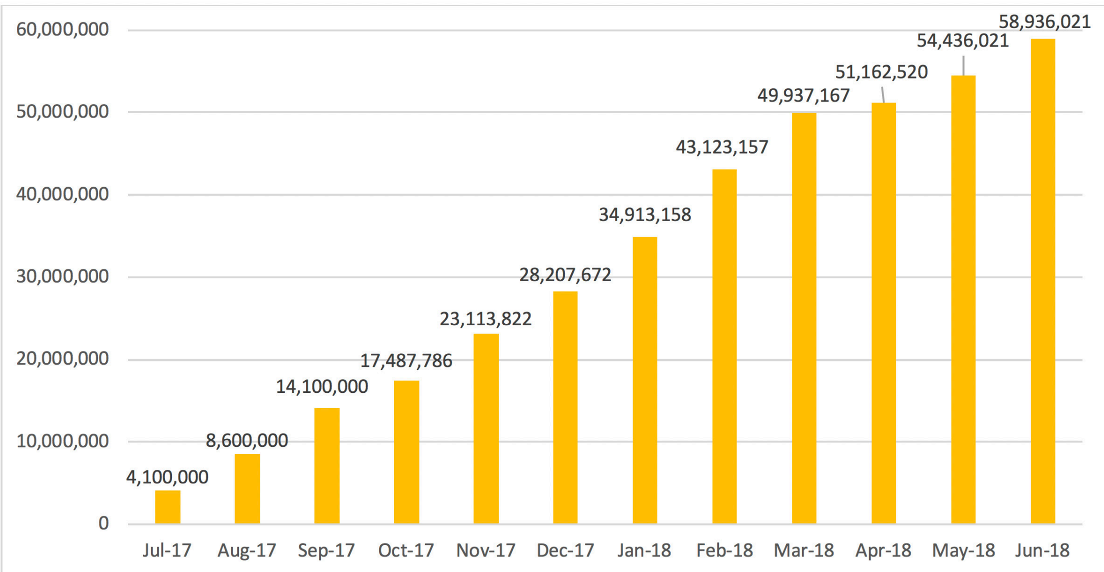
Separately, CoAssets also secured a S$2.2million contract with Nasdaq listed Sharing Economy International Inc (NASDAQ: SEII) to develop and operate a financial technology platform in Hong Kong. This is part of the strategic cooperation agreement with EC Technology & Innovation Pte Ltd that was announced on 18 January 2018 and the duration of work spans over FY2018 and FY 2019.

CHINA OFFICE: GROWING OUR FUNDING

The Group's main business activity in China is crowdfunding.

Our China office continues to grow at a rapid pace and the amount of successfully funded projects grew from RMB10,000 per month to RMB 5.7million per month. This pace continues in 2018 with funding hitting more than RMB 8million per month. In the last 12 months, the total cumulative crowdfunded deals were RMB 58.94million. This indicates that there is strong demand for our crowdfunding services in China and there is scope for further growth of the business.

Cumulative Crowdfunding Amount in CoAssets China



In the last 12 months, user acquisition has been strong, with the growth driven primarily through the conversion of Da Xian Bing (DXB) users. By working closely with DXB through the use of dual signup and shared login, and refining the user experience, we expect to be able to continue growing our new users' conversion rate.

Moving ahead, we also aim to increase our product offerings by working with more financial partners. For this to materialise, we will start to focus on building due diligence and risk assessment capabilities for the China market.

PLATFORM IMPROVEMENTS: FOCUSING ON ONLINE SECURITY

Security has been a top focus this year as the platform continues to grow in user base. With the increased traffic, we have also started to see an increase in cyber-attacks against us. Those attacks were mainly:

- Distributed Denial of Service (DDoS) which attempts to bring a site down by overwhelming it with traffic, and thus denying users access to the site, and;
- Penetration attempts which are attacks designed to gain unauthorized access, after which the hackers can harvest or manipulate sensitive data in the system.

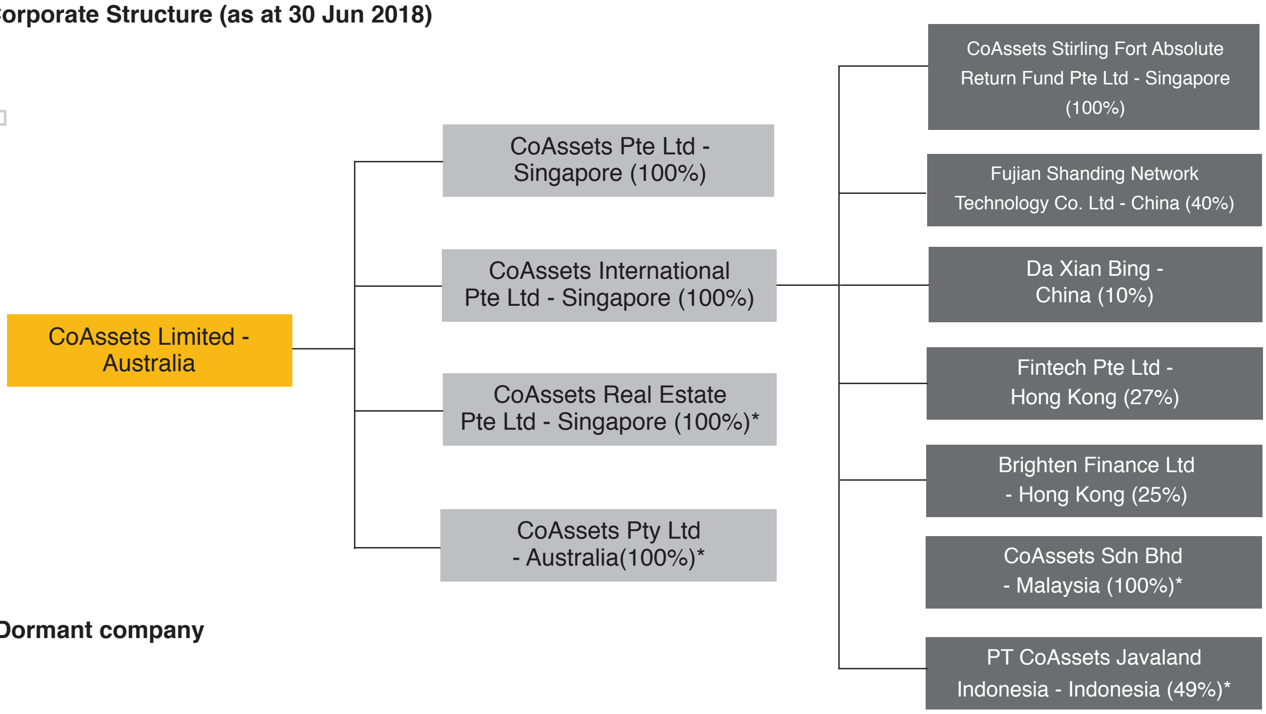
We have invested heavily in hardening both our external and internal systems.

First, we have upgraded our technology infrastructures so that any DDoS attempts can be stopped at the onset, failing which we have redundant and backup systems to restore user access almost immediately. Secondly, our systems have been updated with new security features for: (a) ensuring database are protected behind multiple security layers, (b) database backups are automated and frequent, (c) important data changes were logged and checked to prevent unauthorised changes, (d) user logins are monitored and analyzed to prevent unusual usage patterns, and (e) key administration access are segmented and monitored to prevent insider security risk.

We continue to be committed to the best cybersecurity practices and are in the process of obtaining the Certification of Information Security for our China platform. Similar certification effort is being looked at for the international platforms.

CORPORATE

Corporate Structure (as at 30 Jun 2018)



*** Dormant company**

DIVIDENDS

No dividends were paid or are proposed to be paid to members during the financial year under review.

FUTURE DEVELOPMENTS, PROSPECTS AND BUSINESS STRATEGIES

The Group aims to continue creating a more diversified credit landscape, looking to win business from traditional lenders by providing debt-funding opportunities that are not funded by the banks.

Apart from retail lenders, the Group announced on 26 Jul 2018 that it launched the CoAssets Stirling Fort Absolute Return (CASFAR) which is a Monetary Authority of Singapore (MAS) licensed fund to service accredited/sophisticated as well as institutional investors.

In terms of borrowers, apart from small and medium enterprise, the Company will continue exploring the possibility of working with partners like family offices, loan brokers and alternate financing companies/platforms as additional sources of deals. Apart from securing the Capital Market Services License (CMSL) issued by MAS, the Group aims to secure licenses in Hong Kong and China to better serve retail investors in those countries.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

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

EVENTS SUBSEQUENT TO REPORTING DATE

In the opinion of the directors, there has not arisen in the interval between the end of the financial year and the date of the report any matter or circumstance that has significantly affected, or may significantly affect the Consolidated Group's operations, results or the state of affairs in future financial years.

LIKELY DEVELOPMENTS

The Group intends to continue its principal activities as described above in this report. Certain information about the likely developments in, and expected results of, the operations of the Group in future years, the strategies of the Group and its prospects for future financial years has been omitted from this Directors' Report because disclosure of the information is likely to result in unreasonable prejudice to the implementation and execution of the Group's business strategies.

ENVIRONMENTAL REGULATION

The Group's operations are not regulated by any significant environmental regulation under a law of the Australian Commonwealth or of any jurisdiction where it intends to operate.

UNISSUED SHARES UNDER OPTION

Options

As at the date of this report, the Company has 10,108,597 options on issue (exercisable at $0.65 each before 30 May 2019).

No shares were issued during or since the end of the financial year under review as none of the options over unissued shares were exercised or vested. As at 30 June 2018, there are no options that have vested or are exercisable.

No options were granted during the year.

Performance Rights

Following the completion of the IPO on 19 August 2016, the Company had on issue 6,032,500 performance rights to KMPs. On vesting, each performance right converts to one fully paid ordinary share for NIL consideration. Out of these, 982,500 performance rights vested during the financial year ended 30 June 2017 as a result of which the Company issued 982,500 fully paid ordinary shares during the financial year ended 30 June 2017. As at the end of the financial year under review and as at the date of this report, the Company has 2,300,000 performance rights issued to Directors and 2,000,000 to a KMP.

On 28 July 2017, the Company issued 2,200,095 performance rights to employees. These performance rights vest in two tranches as follows, subject to the employee being employed by CoAssets as on the date of vesting:

1,100,043 on 31 July 2018; and

1,100,052 on 31 July 2019.

On vesting, each performance right converts to one fully paid ordinary share for NIL consideration.

Included within the 2,200,095 performance rights issued on 28 July 2017 are 2,000,000 performance rights which were issued to a member of the KMP, as set out in the Remuneration Report.

On 31 July 2018, 1,100,043 performance rights vested and will convert into fully paid ordinary shares of the Company.

MEETINGS OF DIRECTORS

The number of meetings of the Company's Board and of each Committee held during the financial year under review, and the numbers of meetings attended by each director are:

Director	Board Meeting		Audit & Risk Committee		Remuneration & Nomination Committee	
	Number Eligible to Attend	Number Attended	Number Eligible to Attend	Number Attended	Number Eligible to Attend	Number Attended
Getty Goh	8	8	2	2	N/A	N/A
Huan Kiat Seh	8	8	N/A	N/A	3	3
Nicholas Ong	8	7	2	2	3	3
Jeffrey Chi	8	8	2	2	3	3
David Garry	8	8	2	2	N/A	N/A

REMUNERATION REPORT - AUDITED

This Remuneration Report forms a part of the Directors' Report and has been prepared in accordance with Section 300A of the Corporations Act, Accounting Standard AASB 124 *Related Party Disclosures* and Principle 8 of the ASX Corporate Governance Principles and Recommendations. The information provided in this Remuneration Report has been audited as required by section 308(3C) of the Corporations Act.

This Remuneration Report is set out under the following main headings:

(1) Principles used to determine the nature and amount of remuneration;

(2) Details of remuneration;

(3) Share based remuneration;

(4) Company performance, shareholder wealth and Key Management Personnel (KMP) remuneration;

(5) Remuneration governance; and

(6) Employment contracts of Directors and Senior Executives.

The information provided under headings 1 to 5 above includes remuneration disclosures that are required under Accounting Standard AASB 124, *Related Party Disclosures*. These disclosures have been transferred from the financial report and have been audited.

1 **Principles used to determine the nature and amount of remuneration**

The objective of the Company's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with achievement of strategic objectives and the creation of value for shareholders and conforms to market best practice for delivery of reward. The Board ensures that executive reward satisfies the following key criteria for good reward governance practices:

(i) competitiveness and reasonableness;

(ii) acceptability to shareholders;

(iii) performance linkage / alignment of executive compensation;

(iv) transparency; and

(v) capital management.

The Board has structured an executive remuneration framework that is market competitive and complimentary to the reward strategy of the organisation.

Alignment to shareholders' interests:

(i) focuses on sustained growth in shareholder wealth; and

(ii) attracts and retains high calibre executives.

Alignment to program participants' interests:

(i) rewards capability and experience; and

(ii) provides a clear structure for earning rewards.

Executive and Non-executive Directors

Fees and payments to directors, including the Chairman reflect the demands which are made on, and the responsibilities of, the directors. Directors' fees and payments are reviewed annually by the Board. The Board ensures that directors' fees and payments are appropriate and in line with the market. The Board also regularly reviews the remuneration policies and practices of CoAssets to ensure that it remunerates fairly and reasonably.

Retirement allowances and benefits for directors

There are no retirement allowances or other benefits paid to non-executive directors.

Statutory superannuation is provided for the executive directors.

Use of Remuneration Consultants

The Company did not engage any Remuneration Consultants during the period under review.

2 Details of Remuneration

The amount of remuneration of the KMP is set out below.

2018	**Short term employee benefits**		**Post-employment benefits**	**Share based payments**		**Proportion of Remuneration that is Performance related %**
Name	**Salary* S$**	**Consulting fees S$**	**S$**	**Shares S$**	**Total S$**	
Getty Goh Te-Win	105,000		14,790	-	119,790	-
Seh Huan Kiat	103,214		14,790	-	118,004	-
Chen Chik (Nicholas) Ong		37,340		-	37,340	-
Jeffrey Chi		37,340		-	37,340	-
David Garry		37,340		-	37,340	-
Lawrence Lim	155,304		14,960	-	170,264	-
TOTAL	**363,518**	**112,020**	**44,540**	**-**	**520,078**	

Comparative figures are provided below.

2017	Short term employee benefits		Post-employment benefits	Share based payments		Proportion of Remuneration that is Performance related %
Name	Salary S$	Consulting fees S$	[3] S$	Shares S$	Total S$	
Getty Goh Te-Win	90,000		12,240	-	102,240	-
Seh Huan Kiat	90,000		12,240	-	102,240	-
Daniel Smith (1)	136,525			-	136,525	-
Chen Chik (Nicholas) Ong	-	36,979		-	36,979	-
Jeffrey Chi	-	36,979		-	36,979	-
Siang Chee Chew (2)	211,530		13,469	-	224,999	-
David Garry (3)	-	12,326		-	12,326	-
Lawrence Lim (4)	126,000		11,220	-	137,220	-
TOTAL	**654,055**	**86,284**	**49,169**	**-**	**789,508**	

[1] Messrs Smith and Ong provided Director services through Minerva Corporate Pty Ltd, of which they are both shareholders.

[2] Includes discretionary cash bonus of S$15,230

Shares and Options

Directors' Interests in Shares and Performance Rights

Particulars of directors' interests in securities are as follows:

	Balance at the start of the period	Acquired during the period	Sold during the period	Balance at end of period
Shares				
Executive Directors				
Getty Goh	45,678,810	-	-	45,678,810
Huan Kiat Seh	35,683,030	-	-	35,683,030
Non-Executive Directors				
Nicholas Ong	229,251	-	-	229,251
Jeffrey Chi	1,092,200	-	-	1,092,200
David Garry	-	-	-	-
Other KMP				
Lawrence Lim	-	500,000	-	500,000
Total	83,683,291	500,000	-	84,183,291

	Balance at the start of the period	Granted during the period	Lapsed during the period	Balance at end of period
Performance Rights				
Executive Directors				
Getty Goh	1,600,000	-	750,000	850,000
Huan Kiat Seh	1,600,000	-	750,000	850,000
Non-Executive Directors				
Nicholas Ong	450,000	-	150,000	300,000
Jeffrey Chi	450,000	-	150,000	300,000
David Garry	-	-	-	-
Other KMP				
Lawrence Lim	-	2,000,000	-	2,000,000
Total	4,100,000	2,000,000	1,800,000	4,300,000

Siang Chee Chew and Daniel Smith ceased to be KMP during the period.

Other than as stated above, there are no contracts to which a director is a party or under which a director is entitled to a benefit that confer a right for the director to call for shares in the Company.

500,000 shares were issued to Lawrence Lim on 28 July 2017 as part of securities issued to eligible employees by the Board. In accordance with AASB 2.14, this benefit is recognised on grant date.

Performance Rights

No new performance rights were issued to KMP during the year, except for the 2,000,000 noted above.

3. Share based remuneration

The CoAssets Limited Incentive Scheme ("the Scheme") is used to reward Directors and employees for their performance and to align their remuneration with the creation of shareholder wealth. Approved by Shareholders on 25 May 2015, the Scheme is designed to provide medium to long-term incentives to deliver long-term shareholder returns. Participation in the Scheme is at the discretion of the Board and, other than the Director's Performance Rights plan approved by shareholders, no individual has a contractual right to participate in the plan or to receive any guaranteed benefits.

Performance shares are issued to directors as part of their remuneration as part of the prospectus. These performance shares were approved by shareholders at the 2015 Annual General Meeting.

Details of the performance rights outstanding at 30 June 2018 are as follows:

Tranche Number	Grant Date	At start of period	Vested Number	Cancelled Number	At end of period	Probability*	Share Price
1	30/11/2015	-	-	-	-		
2	30/11/2015	1,050,000	-	1,050,000	-		
3	30/11/2015	1,300,000	-	1,300,000	-		
4	30/11/2015	1,400,000	-	200,000	1,200,000	100%	$0.15
5	30/11/2015	1,300,000	-	200,000	1,100,000	0%	-

*Director assessment of the probability of the milestones being achieved.

(1) These rights were to vest upon the Company successfully listing on the ASX with a minimum A$5m raising and up to A$10m. The share based payment expense was recorded in the period ending 30 June 2016 and subsequent to year end, the shares were issued to Directors.

(2) The shares associated with these rights were to be issued upon achievement of $10,000,000 project funding in China or Australia (over a 12 month period). The expiry date for these rights was 31 December 2017 and they have lapsed.

(3) The shares associated with these rights were to be issued upon the achievement of greater than $6,500,000 revenue in any 12 month period. The expiry date for these rights was 31 December 2017 and they have lapsed.

(4) The shares associated with these rights are to be issued upon the achievement of greater than $1,000,000 EBITDA in any 12 month period. The granted number of rights is attributable to Directors as follows:

Getty Goh Te-Win	450,000
Seh-Huan Kiat	450,000
Chen Chik (Nicholas) Ong	150,000
Jeffrey Chi	150,000

Given the current year performance, the Board has assessed that it is highly likely that the shares associated withthese performance rights will be issued. Hence, a share based payment expense of $180,000 has been included in thecurrent period. The performance rights issued to Daniel Smith were cancelled upon his cessation as a director.

(5) The shares associated with these rights are to be issued upon the achievement of greater than $10,000,000 revenue in any 12 month period. The performance rights issued to Daniel Smith were cancelled upon his cessation as a director. The remaining rights are attributable to Directors as follows:

Getty Goh Te-Win	400,000
Seh-Huan Kiat	400,000
Chen Chik (Nicholas) Ong	150,000
Jeffrey Chi	150,000

4 Company Performance, shareholder wealth and KMP remuneration

The following table shows gross revenue, profits/losses and loss per share of the Company at the end of the current and previous financial periods since incorporation.

	30/06/18 S$	30/06/17 S$
Revenue from continuing operations	5,830,282	731,349
Net profit/(loss)	1,815,848	(6,425,251)
Profit/(loss) per share (cents per share)	1.1	(3.8)

The remuneration policy has been tailored to increase goal congruence between shareholders, directors and executives. This will be achieved via offering performance incentive bonuses to deliver long-term shareholder returns.

5 Remuneration Governance

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

The remuneration policy, setting the terms and conditions for KMP, was developed and approved by the Board. All executives receive a base salary (which is based on factors such as length of service and experience), superannuation (or equivalent), and fringe benefits.

The Remuneration and Nomination Committee reviews executive packages annually by reference to the Group's performance, executive performance, and comparable information from industry sectors and other listed companies in similar industries.

All remuneration paid to KMP is valued at the cost to the Group and expensed. Options (if applicable) given to KMP are valued using an appropriate option pricing methodology.

The Board policy is to remunerate non-executive Directors at the lower end of market rates for comparable companies for time, commitment, and responsibilities. The Remuneration & Nomination Committee determines payments to the non-executive Directors and will review their remuneration annually based on market practice, duties, and accountability. The maximum amount of fees payable to non-executive directors is A$250,000 per annum. During the financial year under review A$108,000 of the fee pool was used.

Independent external advice is sought when required. Fees for non-executive Directors are not linked to the performance of the Group. However, to align Directors' interests with shareholder interests, the Directors are encouraged to hold shares in the Company.

The Board expects that the remuneration structure implemented will result in the Company being able to attract and retain the best executives to run the Company. It will also provide executives with the necessary incentives to work to grow long-term shareholder value.

The payment of bonuses, options and other incentive payments are reviewed by the Board as part of the review of executive remuneration. The Board can exercise its discretion in relation to approving incentives, bonuses and options. Any changes must be justified by reference to measurable performance criteria.

6 Employment contracts of Directors and Senior Executives

On appointment to the Board, all non-executive directors sign a letter of appointment. The letter summarises the Board policies and terms, including compensation, relevant to the office of director.

Remuneration and other terms of engagement for the Chief Executive Officer, the Chief Technology Officer, the Chief Operating Officer, the Chief Investment Officer and the Chief Financial Officer are also formalised in service agreements which include provision for participation in the Employee Incentive Plan.

Name	Term of Agreement	Base salary including any superannuation
Getty Goh - CEO	Ongoing, commenced 18 March 2015. Notice period 3 months or termination payment in lieu of notice period.	S$119,790
Huan Kiat Seh - CTO	Ongoing, commenced 18 March 2015. Notice period 3 months or termination payment in lieu of notice period.	S$118,004
Lawrence Lim – COO	Ongoing, commenced 1 May 2016. Notice period 2 months	S$170,264

Transactions with directors, key management personnel and their related entities

Other than the above, there were no transactions during the period with related entities.

KMP are not permitted to enter into transactions with securities (or any derivative thereof) which limits the economic risk of any unvested entitlements awarded under an equity based remuneration scheme. As part of the Company's due diligence undertaken at the time of and full-year results, equity plan participants are required to confirm that they have not entered into any such prohibited transactions.

The Board will continually review all elements of its remuneration philosophy to ensure that they are appropriate from the perspectives of governance, disclosure, reward and market conditions.

This is the end of audited Remuneration Report

INDEMNIFICATION AND INSURANCE OF OFFICERS

In accordance with the constitution of the Company, except as may be prohibited by the Corporations Act 2001 every Officer of the Company shall be indemnified out of the property of the Company against any liability incurred by him in his capacity as Officer, auditor or agent of the Company or any related corporation in respect of any act or omission whatsoever and howsoever occurring or in defending any proceedings, whether civil or criminal. During the period under review, the Company paid S44,000 in premiums for Directors and Officer Insurance.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied to the court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings. No proceedings have been brought or intervened in on behalf of the Company with leave of the court under section 237 of the *Corporations Act 2001*.

AUDITOR

DFK Laurence Varnay has replaced BDO Audit (WA) Pty Ltd as the Group's auditor effective from 19 January 2018.

NON-AUDIT SERVICES

The Company may decide to engage the auditor, DFK Laurence Varnay, on assignments in addition to their statutory audit duties where the auditor's expertise and experience with the Company and/or Group are important.

The Board of Directors advises that non-audit services were provided by the Group's auditors during the period were only in relation to the half year review.

The Board of Directors has considered the position and is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The directors are satisfied that the provision of non-audit services by the auditor, as set out below, did not compromise the auditor independence requirements of the Corporation Act 2001 for the following reasons:

- All non-audit services have been reviewed by the Board to ensure they do not impact the impartiality and objectivity of the auditor.
- None of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professionals Accountant.

CORPORATE GOVERNANCE

The Board of Directors of CoAssets Limited is responsible for the corporate governance of the Company. The Board guides and monitors the business and affairs of the Company and its controlled entities on behalf of the shareholders by whom they are elected and to whom they are accountable.

The Corporate Governance Statement sets out the Company's current compliance with the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (**Principles and Recommendations**). The Principles and Recommendations are not mandatory. The Statement discloses the extent to which the Company has followed the Principles and Recommendations and explains any departures from the Principles and Recommendations.

Information on Corporate Governance is available on the Company's website at https://coassets.com/asx/ under *Corporate Governance*.

Signed in accordance with a resolution of the board of directors

Getty Goh
Director

Singapore

24 August 2018

AUDITOR'S INDEPENDENCE DECLARATION

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dfk laurence varnay
LEADING ACCOUNTANTS AND BUSINESS ADVISERS

CoAssets Limited
ACN: 604 341 826

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001 to the Directors of CoAssets Limited

I declare that, to the best of my knowledge and belief, in relation to the audit for the year ended 30 June 2018, there have been:

i. No contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

ii. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of CoAssets Limited and the entities it controlled during the year.

DFK Laurence Varnay

Faizal Ajmat
Partner
Sydney
Date: 24 August 2018

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FINANCIAL REPORT

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CoAssets Limited
Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2018

	Note	2018 S$	2017 S$
Revenue	3	5,830,282	731,349
Interest Expense		(975,539)	(270,346)
Net operating income		**4,854,743**	**461,003**
Investment gains	4	2,484,363	-
Operating expenses	5	(5,359,611)	(6,200,932)
Release of/ (allowance for) impairment provision		10,200	(585,387)
Depreciation and amortisation expense		(173,847)	(99,935)
Profit / (loss) before income tax		**1,815,848**	**(6,425,251)**
Income tax expense	5	-	-
Profit / (loss) after income tax		**1,815,848**	**(6,425,251)**
Profit / (loss) is attributable to:			
Owners of CoAssets Limited		**1,980,702**	**(6,258,854)**
Non-controlling interests		**(164,854)**	**(166,397)**
		1,815,848	**(6,425,251)**
Other comprehensive profit /(loss)			
Items that may be reclassified to profit or loss			
Exchange differences on translation of foreign operations		(5,608)	68,057
Other comprehensive (loss)/ profit for the period net of tax		(5,608)	68,057
Total comprehensive profit/(loss) for the period		1,810,240	**(6,357,193)**
Total comprehensive profit/(loss) for the year is attributable to:			
Owners of CoAssets Limited		1,968,051	(6,196,692)
Non-controlling interests		(157,811)	(160,501)
		1,810,240	**(6,357,193)**
Earnings per share from continuing operations			
Basic profit/(loss) per share attributable to owners of CoAssets Limited (cents per share)	16	**1.1**	**(3.8)**
Diluted profit/(loss) per share attributable to owners of CoAssets Limited (cents per share)	16	**1.0**	**(3.8)**

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

CoAssets Limited
Consolidated Statement of Financial Position
For the year ended 30 June 2018

	Note	30 June 2018	30 June 2017
		S$	S$
Current assets			
Cash and cash equivalents	7	7,769,604	1,942,997
Trade and other receivables	8	3,262,682	1,163,501
Loans and advances	9	8,618,540	5,534,087
Total current assets		19,650,826	8,640,585
Non-current assets			
Investment in associate	11	5,613,115	-
Trade and other receivables	8	1,200,000	-
Loans and advances	9	438,166	482,686
Property, plant & equipment	12	160,593	155,663
Intangible assets	13	134,137	178,172
Available for sale financial assets	10	1,736,184	1,139,447
Total non-current assets		9,282,195	1,955,968
Total assets		**28,933,021**	**10,596,553**
Current liabilities			
Trade and other payables	14	949,045	1,083,207
Borrowings	18	16,166,580	4,703,456
Total current liabilities		17,155,625	5,786,663
Total liabilities		**17,155,625**	**5,786,663**
Net assets		**11,817,396**	**4,809,890**
Equity			
Issued capital - ordinary	15	18,115,898	13,508,990
Reserves	17	550,717	(26,990)
Accumulated losses		(7,225,071)	(9,205,773)
Non-controlling interest		375,852	533,663
Total equity		**11,817,396**	**4,809,890**

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying note

CoAssets Limited
Consolidated Statement of Changes in Equity
For the year ended 30 June 2018

Year ended 30 June 2018	Issued Capital - Ordinary	Share Based Payments Reserve	Foreign Currency Translation-Reserves	Accumulated Losses	Non-controlling interests	Total
	S$	S$	S$	S$	S$	S$
Balance at 1 July 2017	**13,508,990**	**-**	**(26,990)**	**(9,205,773)**	**533,663**	**4,809,890**
Profit attributable to members of parent entity	-	-	-	1,980,702	-	2,160,702
Loss attributable to non-controlling interests	-	-	-	-	(164,854)	(164,854)
Exchange difference on foreign operations	-	-	(12,651)	-	7,043	(5,608)
Total comprehensive loss for the period	-	-	(12,651)	1,980,702	(157,811)	1,810,240
Transactions with owners in their capacity as owners						
Shares Issues	4,606,908	-	-	-	-	4,606,908
Performance Rights	-	590,358	-	-	-	590,358
Balance at 30 June 2018	**18,115,898**	**590,358**	**(39,641)**	**(7,225,071)**	**375,852**	**11,817,396**

Prior Period

	Issued Capital - Ordinary	Share Based Payments Reserve	Foreign Currency Translation Reserves	Accumulated Losses	Non-controlling interests	Total
	S$	S$	S$	S$	S$	S$
Balance at 1 July 2016	**5,824,675**	**300,915**	**(89,152)**	**(2,946,919)**	**82,668**	**3,172,187**
Loss attrib' to members of parent entity	-	-	-	(6,258,854)	-	(6,258,854)
Loss attributable to non-controlling interests					(166,397)	(166,397)
Exchange difference on foreign operations	-	-	62,162	-	5,896	68,058
Total comprehensive loss for the period	-	-	62,162	(6,258,854)	(160,501)	(6,357,193)
Transactions with owners in their capacity as owners						
Shares Issues	7,684,315	(300,915)	-	-	-	7,383,400
Transactions with non-controlling interests	-	-	-	-	611,496	611,496
Balance at 30 June 2017	**13,508,990**	**-**	**(26,990)**	**(9,205,773)**	**533,663**	**4,809,890**

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

CoAssets Limited
Consolidated Statement of Cash Flows
For the year ended 30 June 2018

	1/7/17 to 30/6/18 S$	1/7/16 to 30/6/17 S$
Operating activities		
Receipts from customers	1,248,617	1,061,327
Payments to directors and staff	(2,378,541)	(3,079,333)
Payments to suppliers	(1,498,383)	(4,209,351)
Increase in investor deposits	(292,796)	(339,072)
Cash absorbed by operations, representing net cash used in operating activities (note 26)	(2,921,103)	(5,888,286)
Investing activities		
Purchase of plant, equipment and intangible assets	(149,664)	(26,788)
Interest received	842,585	353,518
Loans and advances made	(6,453,916)	(6,259,320)
Proceeds from redemption of loans and advances	3,445,781	1,316,127
Payments to acquire AFS investments	(1,736,184)	-
Net cash used in investing activities	(4,051,398)	(4,616,463)
Financing activities		
Funds received for issued shares	2,092,961	3,213,234
Receipt of borrowings	16,061,780	4,334,256
Repayment of borrowings	(4,598,656)	(422,178)
Share of Chinese JV subscription	-	611,497
Interest paid	(676,163)	(115,898)
Net cash from financing activities	12,879,922	7,620,911
Net change in cash and cash equivalents	5,907,421	(2,883,838)
Cash and cash equivalents at beginning of financial period	1,942,997	4,752,397
Effects of foreign exchange	(80,814)	74,438
Cash and cash equivalents at end of financial period	7,769,604	1,942,997

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

1 Statement of Significant Accounting Policies

Basis of Preparation

The financial statements of CoAssets Limited ("Company") for the period ended 30 June 2018 were authorised for issue in accordance with a resolution of directors on 24 August 2018.

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001 and in compliance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

CoAssets Limited is a public company listed on the ASX, incorporated in Australia and operating in Singapore. CoAssets Limited is a for-profit entity for the purpose of preparing the financial statements.

The financial statements, which are presented in Singapore Dollar (S$), have been prepared on an historical cost basis except as disclosed in the accounting policies below.

(a) Principles of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company ("Group"). Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements listed above.

When the Company has less than a majority of the voting rights of an investee, it has the power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether the Company's voting rights are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties, rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholder meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the period included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the controlling interest having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members are eliminated in full on consolidation.

1 Statement of Significant Accounting Policies (continued)

(b) Adoption of new and revised accounting standards

Standards and Interpretations applicable to 30 June 2018

In the period ended 30 June 2018, the directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Group and effective for the current reporting period.

Standards and Interpretations in issue not yet adopted

The directors have also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the period ended 30 June 2019.

AASB 15 Revenue from Contracts with Customers. This standard is applicable to annual reporting periods beginning on or after 1 January 2018. The nature of the change is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This means that revenue will be recognised when control of goods or services is transferred within a performance obligation, rather than on transfer of risks and rewards as is currently the case under IAS 18 Revenue. During the year to 30 June 2018, the Group carried out further investigation into interpretation and application of this new standard. The majority of the Group's revenue comes from Commissions earned on providing crowd funding arrangements, where the benefits to customers arises over a time period aligned with the length of the crowd funded loan. Thus the timing of the transfer of control of the performance obligation needs to be aligned with the loan period, rather than the timing of the transfer of the risks and rewards. The Group expects there to be a $2.2m increase in accumulated losses on restatement as at 30 June 2017 on transition and a $2.1m decrease in profit for the year ended 30 June 2018.

AASB 16 Leases. This standard and its consequential amendments are applicable to annual reporting periods beginning on or after 1 January 2019. This Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. The consolidated entity will adopt this standard and the amendments from 1 July 2019.

AASB 9 Financial Instruments. AASB 9 supersedes AASB 139 *Financial instruments: Recognition and Measurement* with new requirements for the classification and measurement of financial assets and liabilities, impairment of financial assets and hedge accounting. Under AASB 9, financial assets are classified into financial assets measured at fair value or at amortised cost depending on the Company's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. Fair value gains or losses will be recognised in profit or loss except for certain equity investments, for which the Company will have a choice to recognise the gains and losses in other comprehensive income. A third measurement category has been added for debt instruments - fair value through other comprehensive income. This measurement category applies to debt instruments that meet the Solely Payments of Principal and Interest contractual cash flow characteristics test and where the Company is holding the debt instrument to both collect the contractual cash flows and to sell the financial assets.

AASB 9 carries forward the recognition, classification and measurement requirements for financial liabilities from AASB 139, except for financial liabilities that are designated at fair value through profit or loss, where the amount of change in fair value attributable to change in credit risk of that liability is recognised in other comprehensive income unless that would create or enlarge an accounting mismatch. In addition, AASB 9 retains the requirements in AASB 139 for de-recognition of financial assets and financial liabilities.

AASB 9 introduces a new forward-looking impairment model based on expected credit losses to replace the incurred loss model in AASB 139. This determines the recognition of impairment provisions as well as interest revenue. For financial assets at amortised cost or fair value through other comprehensive income, the Company will now always recognise (at a minimum) 12 months of expected losses in profit or loss. Lifetime expected losses will be recognised on these assets when there is a significant increase in credit risk after initial recognition.

1 Statement of Significant Accounting Policies (continued)

The Company plans to adopt AASB 9 in the financial year beginning on 1 July 2018 with retrospective effect in accordance with the transitional provisions. The group has re-assessed the impact of the transition during the period ending 30 June 2018. Given that the Company has a smaller number of larger value loans than expected the directors have assessed that expected loss modelling will not result in any material change to impairment provisioning.

(c) Income Tax

The charge for current income tax expense is based on the result for the year adjusted for any non-assessable or disallowed items. It is calculated using tax rates that have been enacted or any substantially enacted at the reporting date.

Deferred tax is accounted for using the liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the Statement of Profit or Loss and Other Comprehensive Income except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised. The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the consolidated entity will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

Current income tax liabilities for current and prior periods are recognised at the amounts expected to be paid to the tax authorities, using the tax rates that have been enacted or substantially enacted by the balance date.

Deferred income tax assets / liabilities are recognised for all deductible taxable temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are measured at:

(a) the tax rates that are expected to be applied when the related deferred income tax asset is realised or the deferred income tax liability is settled based on tax rates that have been enacted or substantially enacted by the balance date; and

(b) the tax consequence that would follow from the manner in which the Company expects, at the balance date, to recover or settle the carrying amounts of its assets and liabilities.

(d) Functional currency

Items included in the financial statements are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to the Company (the “functional currency”). The functional currency of the Group is Singapore Dollars. The functional currencies of individual group entities are set out in note 20. These financial statements are presented in Singapore Dollars (S$), since the majority of the Group’s operations take place in Singapore.

1 Statement of Significant Accounting Policies (continued)

(e) Foreign currency translation

Transactions in foreign currencies are initially recorded in the functional currency by applying the exchange rates ruling at the date of the transaction.

As at balance date, the assets and liabilities are translated into the presentation currency at the rate of exchange ruling at balance date and income and expense items are translated at the average exchange rate for the period.

The exchange differences arising on translation are taken directly to a separate component of equity, being recognised in the foreign currency translation reserve.

(f) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable for the sale of goods and services rendered in the ordinary course of business. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the entity and the revenue can be reliably measured. Revenue is presented, net of rebates, discounts and sales related taxes.

Revenue from events and administrative fees is recognised when the services have been performed and accepted by the customers in accordance with the relevant terms and conditions of the contract.

When the Company acts in the capacity of an agent rather than as the principal in a transaction, the revenue recognised is the net amount of commission made by the Company. Commission income is recognised upon the completion of a transaction in which the commission relates to.

Revenue from microsite development is recognised upon passage of title to the customers which generally coincides with their delivery and acceptance.

See section (t) (i) below for the revenue recognition policy relating to interest income.

(g) Plant and Equipment

Plant and equipment are stated at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset and costs of bringing the asset to working condition for its intended use.

Expenditure for additions, improvements and renewals, including any obligation for dismantlement, removal or restoration costs, are capitalised and expenditure for maintenance and repairs are charged to the statement of profit or loss and other comprehensive income. The cost of replacing part of an item of plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The costs of the day-to-day servicing of plant and equipment are recognised in the statement of profit or loss and other comprehensive income as incurred.

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the statement of profit or loss or other comprehensive income in the period the asset is derecognised.

Depreciation of plant and equipment is calculated on the straight-line basis to write off the cost less residual value of the assets over their estimated useful lives as follows:

Computer and software	3 years
Furniture and fittings	5 years

1 Statement of Significant Accounting Policies (continued)

Fully depreciated plant and equipment are retained in the financial statements until they are no longer in use. Depreciation methods, useful lives and residual values are reviewed, and adjusted prospectively as appropriate, at each financial period end.

Impairment

The carrying values of plant and equipment are reviewed for impairment at each balance date, with recoverable amount being estimated when events or changes in circumstances indicate that the carrying value may be impaired.

The recoverable amount of plant and equipment is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

For an asset that does not generate largely independent cash inflows, recoverable amount is determined for the cash-generating unit to which the asset belongs, unless the asset's value in use can be estimated to approximate fair value.

An impairment exists when the carrying value of an asset or cash-generating unit exceeds its estimated recoverable amount. The asset or cash-generating unit is then written down to its recoverable amount.

For plant and equipment, impairment losses are recognised in the statement of profit or loss and other comprehensive income in the cost of sales line item.

(h) Intangible assets

Intangible assets acquired separately are measured initially at cost. The cost of intangible assets acquired in a business combination is their fair value as at the date of acquisition. Following initial acquisition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in the statement of profit or loss and other comprehensive income in the period in which the expenditure is incurred. The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite useful lives are amortised over the estimated useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method are reviewed at least at each financial period end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite useful lives is recognised in the statement of profit or loss and other comprehensive income in the expense category consistent with the function of the intangible asset.

Research and development costs of crowdfunding platform

Research costs are expensed as incurred. Deferred development costs arising from development expenditures on an individual project are recognised as an intangible asset when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete and the ability to measure reliably the expenditures during the development.

Following initial recognition of the deferred development costs as an intangible asset, it is carried at cost less accumulated amortisation and any accumulated impairment losses. Amortisation of the intangible asset begins when development is complete and the asset is available for use. Deferred development costs have a finite useful life and are amortised over the period of expected sales from the related project of 5 years on a straight line basis.

1 Statement of Significant Accounting Policies (continued)

At each reporting date, the Company reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the Statement of Profit or Loss and Other Comprehensive Income.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Trademarks and licences

Trademarks and licences acquired are initially recognised at cost and are subsequently carried at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised to profit or loss using the straight line method over 15 to 20 years, which is the shorter of their estimated useful lives and periods of contractual rights.

(i) Trade and other receivables

Trade receivables are measured on initial recognition at fair value and are subsequently measured at amortised cost using the effective interest rate method. Appropriate bad and doubtful debts for estimated irrecoverable amounts are recognised in the statement of profit or loss and other comprehensive income when there is objective evidence that the asset is impaired. The bad and doubtful debts recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed subsequent to initial recognition.

(j) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short-term highly liquid instruments with original maturities of three months or less.

(k) Trade and other payables

Trade payables and other payables are carried at amortised costs and represent liabilities for goods and services provided to the Group prior to the end of the financial period that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. Trade and other payables are presented as current liabilities unless payment is not due within 12 months.

(l) 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.

1 Statement of Significant Accounting Policies (continued)

(m) Earnings/loss per share

(i) Basic earnings/loss per share

Basic earnings per share is calculated by dividing the profit/loss attributable to equity holders of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial period, adjusted for the bonus elements in ordinary shares issued during the period.

(ii) Diluted earnings/loss per share

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

(n) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for the intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

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

(o) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office/Inland Revenue Authority of Singapore. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown exclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(p) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, which is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors.

(q) Share-based Payment Transactions

Under AASB 2 Share-based Payment, the Group must recognise the fair value of options granted to directors, employees and consultants as remuneration as an expense on a pro-rata basis over the vesting period in the statement of profit or loss and other comprehensive income with a corresponding adjustment to equity.

The Group can provide benefits to employees (including directors) of the Group in the form of share based payment transactions, whereby employees render services in exchange for shares or rights over shares (“equity-settled transactions”).

The cost of these equity-settled transactions with employees (including directors) is measured by reference to fair value at the date they are granted. The fair value is determined using the Black Scholes option pricing model.

1 Statement of Significant Accounting Policies (continued)

(r) Associated companies

Associated companies are entities over which the Group has significant influence, but not control, generally accompanied by a shareholding giving rise to voting rights of 20% and above but not exceeding 50%. Investments in associated companies are accounted for in the consolidated financial statements using the equity method of accounting less impairment losses, if any.

Investments in associated companies are initially recognised at cost. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Goodwill on associated companies represents the excess of the cost of acquisition of the associate over the Group's share of the fair value of the identifiable net assets of the associate and is included in the carrying amount of the investments.

In applying the equity method of accounting, the Group's share of its associated companies' post-acquisition profits or losses are recognised in profit or loss and its share of post-acquisition other comprehensive income is recognised in other comprehensive income. These post-acquisition movements and distributions received from the associated companies are adjusted against the carrying amount of the investment. When the Group's share of losses in an associated company equals or exceeds its interest in the associated company, including any other unsecured non-current receivables, the Group does not recognise further losses, unless it has obligations or has made payments on behalf of the associated company.

Unrealised gains on transactions between the Group and its associated companies are eliminated to the extent of the Group's interest in the associated companies. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. The accounting policies of associated companies have been changed where necessary to ensure consistency with the accounting policies adopted by the Group. Gains and losses arising from partial disposals or dilutions in investments in associated companies are recognised in profit or loss.

Investments in associated companies are derecognised when the Group loses significant influence. Any retained interest in the entity is remeasured at its fair value. The difference between the carrying amount of the retained investment at the date when significant influence is lost and its fair value is recognised in profit or loss.

1 Statement of Significant Accounting Policies (continued)

(s) Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally by the Company.

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources.

Actual results may differ from these estimates. These accounting policies have been consistently applied by each entity in the consolidated entity.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year or in the year of the revision and future years if the revision affects both current and future years.

In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described in the following notes:

Share-based payment arrangements

The Group measures the cost of equity settled share based payments at fair value at the grant date using the Black-Scholes model taking into account the exercise price, the term of the option, the impact of dilution, the share price at grant date, the expected volatility of the underlying share, the expected dividend yield and risk free interest rate for the term of the option.

Impairment

The Group assesses impairment at each reporting date by evaluating conditions specific to the Company that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined.

The Group follows the guidance of AASB 136 *Impairment of assets* and AASB 139 *Financial instruments: recognition and measurement* on determining whether financial assets are impaired. This determination requires significant judgement. The Company evaluates, among other factors, the duration and extent to which the fair value of the financial assets are less than their cost and the financial health of and near-term business outlook for the financial assets, including factors such as industry and sector performance, changes in technology and operational and financing cash flows.

Allowance for impairment loss on receivables and loans and advances

The management establishes allowance for impairment loss on loans and receivables on a case-by-case basis when they believe that payment of amounts owed is unlikely to occur. In establishing this allowance, the management considers its historical experience and changes to its customers' financial position. If the financial conditions of the customers were to deteriorate, resulting in impairment of their ability to make the required payments, additional allowance may be required.

Consolidation of Chinese JV

CoAssets owns 40% of the joint venture entity Fujian Shanding Network Technology Co. Ltd, with the partner Fujian Yaosheng Zichan owning 60%. CoAssets is considered to have the ability to exercise control over the joint venture entity through majority Board representation, control of relevant activities and the use of CoAssets' own platform and therefore has consolidated the financial statements of the joint venture entity in the group financial statements.

1 Statement of Significant Accounting Policies (continued)

(t) Parent entity financial information

The financial information for the parent entity, CoAssets Limited, disclosed in Note 24 has been prepared on the same basis as the consolidated financial statements.

(u) Financial assets

The Company classifies its financial assets as loans and receivables or available for sale financial assets, dependent on their purpose. The management determines the classification of the financial assets at initial recognition and re-evaluates this designation at the end of the reporting period, where allowed and appropriate.

(i) Loans and advances

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are classified within “trade and other receivables” and “Loans and advances” on the statement of financial position.

Recognition and derecognition

Financial assets are recognised on the statement of financial position when, and only when, the Company becomes a party to the contractual provisions of the financial instruments.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. On derecognition of a financial asset, the difference between the carrying amount and the net consideration proceed is recognised in profit or loss.

Initial and subsequent measurement

Financial assets are initially recognised at fair value plus in the case of financial assets not at fair value through profit or toss, directly attributable transaction costs. After initial recognition, loans and receivables are carried at amortised cost using the effective interest method, less impairment loss, if any.

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period, to the net carrying amount of the financial instrument. Income and expense are recognised on an effective interest basis for debt instruments other than those financial instruments at fair value through profit or loss.

(ii) Available for sale financial assets

Investments are designated as available-for-sale financial assets if they do not have fixed maturities and fixed or determinable payment, and management intends to hold them for the medium to long term.

2 Segment Information

The Group operates in one industry, providing funds through crowdfunding or on-balance sheet borrowing and lending. The Group primarily operates in two geographical segments, being Singapore and China (including Hong Kong). The chief operating decision maker, which is responsible for allocating resources and assessing performance of the operating segment, has been identified as the Board of Directors. Intersegment pricing is on an "arms-length" basis.

2018	Singapore 2018 S$	China 2018 S$	Other 2018 S$	Total 2018 S$
Total segment revenue	5,641,953	181,468	6,861	5,830,282
Interest expense	975,539	-	-	975,539
Investment gains	-	2,484,363	-	2,484,363
Operating expenses	4,363,353	429,129	567,129	5,359,611
Release of provision for impairment	10,200	-	-	10,200
Depreciation and amortisation	143,996	27,095	2,756	173,847
Segment result	169,265	2,209,607	(563,024)	1,815,848
Income tax expense	-	-	-	-
Net profit /(loss)	169,265	2,209,607	(563,024)	1,815,848
Balance Sheet				
Segment assets	20,651,342	8,042,906	238,773	28,933,021
Segment liabilities	16,977,251	67,187	71,187	17,115,625

Prior Year	Singapore 2017 S$	China 2017 S$	Other 2017 S$	Total 2017 S$
Total segment revenue	534,751	172,761	23,837	731,349
Interest expense	270,346	-	-	270,346
Operating expenses	4,287,074	444,433	1,469,425	6,200,932
Allowance for impairment	585,387	-	-	585,387
Depreciation and amortisation	94,100	5,656	179	99,935
Segment result	(4,702,156)	(277,328)	(1,445,767)	(6,425,251)
Income tax expense	-	-	-	-
Net profit/ (loss)	(4,702,156)	(277,328)	(1,445,767)	(6,425,251)
Balance Sheet				
Segment assets	8,227,831	900,188	1,468,534	10,596,553
Segment liabilities	(5,635,784)	(10,750)	(140,129)	(5,786,663)

3 Revenue from continuing operations	30/06/18 S$	30/06/17 S$
Interest income	1,092,605	390,483
Crowdfunding income	3,549,523	233,045
Other income	1,188,154	107,821
	5,830,282	731,349

4 Investment Gains	31/12/17 S$	30/06/16 S$
Fair value gain on revaluation of investment (note 11 ii)	2,482,967	-
Share of profit of associate	1,396	-
	2,484,363	-

5 Operating Expenses

	30/06/18 S$	30/06/17 S$
Advertising and marketing	78,550	221,936
Audit, license and compliance fees	170,443	240,113
Consulting fees	151,530	370,982
Directors' fees and remuneration	552,018	267,792
Employee benefits expense	2,744,894	2,786,382
Events expenses	-	292,615
Legal and professional fees	580,295	527,837
Rental of premises	169,746	360,966
Telephone, Internet, website and software maintenance	254,385	296,087
Travelling and transport	167,833	229,215
Other operating costs	493,617	607,007
	5,359,611	6,200,932

6 Income Tax

The tax expense / (benefit) on profit / (loss) before income tax differs from the amount that would arise using the Australian standard rate of income tax as follows:

	30/06/18 S$	30/06/17 S$
Profit/ loss before income tax	1,815,848	(6,425,251)
Tax calculated at a tax rate of 30% (2017: 30%)	544,754	(1,927,575)
Effects of:		
- Income not taxable for tax purposes	(744,890)	-
- Deferred tax benefit not recognised	200,136	1,394,202
Effect of overseas tax rates (various rates)	-	533,373
Total income tax expense	-	-

7 Cash and Other Financial Assets

	30/6/18 S$	30/6/17 S$
Cash and cash equivalents	7,769,604	1,942,997

The Group's exposure to interest rate risk is discussed in note 19. The maximum exposure to credit risk at the end of the reporting period is the carrying amount of cash at bank and on hand.

8 Trade and Other Receivables

		30/6/18 S$	30/6/17 S$
Trade receivables		4,194,312	623,948
Allowance for Impairment loss		(296,450)	(586,850)
		3,897,862	37,098
Other receivables repayable within 1 year	(i)	564,820	1,126,403
		4,462,682	1,163,501
Repayable within 1 year		3,262,682	1,163,501
Repayable after 1 year		1,200,000	-
Total net of impairment provisions		4,462,682	1,163,501

(i) Other Receivables

	30/6/18 S$	30/6/17 S$
Third parties	-	801,570
Interest receivables	360,160	110,655
Advance payment to suppliers	12,188	52,938
Deposits	192,472	161,240
	564,820	1,126,403

Trade receivables are unsecured, non-interest bearing and generally on 7 to 360 (2017: 7 to 360) days' credit terms, other than those indicated as repayable after 1 year.

9 Loans and advances

	30/06/18	30/06/17
	S$	S$
Balance at beginning of financial year/period	6,271,921	1,328,728
Loans and advances made(i)	6,453,916	6,259,320
Bad debts written off against provisions	(143,350)	-
Redemption of loans and advances	(3,445,781)	(1,316,127)
Balance at end of financial year/period, before provisions	9,136,706	6,271,921
Impairment provision held against loans and advances	(80,000)	(255,148)
	9,056,706	6,016,773
Repayable within 1 year	8,618,540	5,534,087
Repayable after 1 year	438,166	482,686
	9,056,706	6,016,773

The loans and advances made are secured by various means, mostly by the project assets to which the loan relates. As at 30 June 2018, they had effective interest rates ranging from 4% to 40% and maturity period ranging from 3 to 12 months.

As at 30 June 2018, there were $2,000,000 of loans and advances (2017: S$74,077) which exceeded the agreed maturity period. These were settled on 2 July 2018.

10 Available for sale financial assets - Investments

	30/06/18	30/06/17
	S$	S$
Investment in Unquoted equity securities – At fair value		
Investment in Da Xian Bing (i)	82,640	203,500
Investment in Brighten Finance Ltd (ii)	1,653,544	-
Investment in Fintech Pte Ltd (iii)	-	935,947
	1,736,184	1,139,447

(i) CoAssets made settlement for its 4% of the share capital of Da Xian Bing 8 December 2017. Given the short period of time since this transaction, the directors' valuation of the holding of Da Xian Bing is not expected to have changed materially from the fair value of the cash consideration.

(ii) On 30 October 2017 and 3 April 2018 CoAssets acquired two tranches of shares in Brighten Finance Limited as announced to the ASX on 1 September 2017. These tranches equate to 25.0% of the share capital of Brighten Finance for a consideration of S$1,653,544. CoAssets has no ability to appoint Board directors, and has had no ability to assert significant influence over Brighten Finance to date. As a consequence, the investment in Brighten Finance continues to be classified as an available for sale financial asset. Given the short period of time since the purchase transactions, the directors' valuation of the holding of Brighten Finance is not expected to have changed materially from the fair value of the cash consideration.

(iii) In the prior period, CoAssets acquired 10.8% of the shares of Fintech Pte Ltd. On 20 October 2018 CoAssets attained significant influence, hence the investment was deemed sold and re-acquired as an associate, see note 11.

11 Investment in Associates

Investment in Fintech Pte Ltd	30/6/18	30/06/17
	S$	S$
Original fair value of capital issued for available for sale investment (note 10 iii)	935,947	-
Fair value gains prior to attainment of significant influence (ii) (note 4)	2,482,967	-
Fair value immediately prior to attainment of significant influence	3,418,914	-
Fair value of CoAssets shares issued to attain significant influence (i) (note 15(a))	1,452,253	-
Deemed cost of investment in associate (iii)	4,871,167	-
Addition investment (iv)) (note 15(a))	740,552	
	5,611,719	
Share of profits since attainment of significant influence	1,396	-
Carrying value of investment in associate	5,623,115	-

(i) On 20 October 2017 CoAssets issued 6,016,671 ordinary shares in exchange for a further 10.8% of the share capital of Fintech Pte Ltd, giving a total holding of 21.6% and significant influence over the operations of Fintech; hence the investment was deemed to be sold and Fintech re-acquired as an associate. The fair value of the CoAssets shares, based on the ASX quoted 30 day prior volume weighted average price of 22.7c AUD and exchange rate on that day of 1.065, was $1,452,254.

(ii) Prior to the purchase of this second tranche of shares, the directors obtained an independent external valuation of the first tranche which provided a valuation of $3,418,914, a gain of $2,482,967 on the original fair value of the capital issued.

(iii) The combined value of these 2 tranches of shares has been utilised as the deemed cost of the investment in the associate.

(iv) On 30 April 2018 CoAssets issued 2,966,658 ordinary shares in exchange for a further 5.4% of the share capital of Fintech Pte Ltd, giving a total holding of 27%. The fair value of the CoAssets shares, based on the ASX quoted 30 day prior volume weighted average price of 25.0c AUD and exchange rate on that day of 0.998, was $740,552.

12 Plant and Equipment

	Computer	Furniture and fittings	Renovation and improvement	Total
	S$	S$	S$	S$
Cost				
Balance at 30 June 2016	113,664	18,330	113,700	245,694
Additions	15,535	581	-	16,116
Other movements	(1,779)	-	-	(1,779)
Balance at 30 June 2017	127,420	18,911	113,700	260,031
Additions	13,718	4,337	125,100	143,155
Currency impact / (disposals)	112	-	(115,800)	(115,688)
Balance at 30 June 2018	141,250	23,248	123,000	287,498
Accumulated depreciation				
Balance at 30 June 2016	37,212	1,374	3,800	42,386
Depreciation charge for the financial period	36,569	4,180	22,740	63,489
Other movements	(1,507)	-	-	(1,507)
Balance at 30 June 2017	72,274	5,554	26,540	104,368
Depreciation charge for the financial period	38,950	4,064	95,410	138,424
Currency impact / disposals	(87)		(115,800)	(115,887)
Balance at 30 June 2018	111,137	9,618	6,150	126,905
Net carrying amount				
As at 30 June 2018	30,113	13,630	116,850	160,593
As at 30 June 2017	55,147	13,356	87,160	155,663

13 Intangible assets

	Crowdfunding platform	Computer software	Total
	S$	S$	S$
Cost			
Balance at 30 June 2017	165,876	87,415	253,291
Additions	-	6,509	6,509
Currency impact / disposals	(3,017)	(16,999)	(20,016)
Balance at 30 June 2018	162,859	76,925	239,784
Accumulated amortisation			
Balance at 30 June 2017	52,323	22,796	75,119
Amortisation charge during the period	20,989	14,434	35,423
Disposals	-	(4,895)	(4,895)
Balance at 30 June 2018	73,312	32,335	105,647
Net carrying value			
As at 30 June 2018	89,547	44,590	134,137
As at 30 June 2017	113,553	64,619	178,172

14 Trade and Other Payables

	30/6/18	30/6/17
	S$	S$
Trade and other payables	707,786	596,039
Crowdfunders deposits	48,276	341,072
Accruals	192,983	146,096
	949,045	1,083,207

Refer to note 19 for the Company's risk management policy. All amounts are expected to be settled within 12 months.

15 Issued Capital

	30/6/18	30/6/17
Share capital	S$	S$
Fully paid ordinary shares (a), (b)	18,115,898	14,739,710

(a) Movement in shares – current period

Fully paid ordinary shares	Date	Number	S$
Opening balance	1/7/17	173,493,544	13,508,990
Issuance of shares to employees	28/7/17	1,100,043	321,142
Private placement shares issued	2/10/17	4,201,680	1,064,571
Shares issued for investment (note 11 i)	15/5/17	6,016,671	1,452,253
Private placement shares issued	28/2/18	4,705,882	1,028,390
Shares issued for investment (note 11 iv)	30/4/18	2,966,658	740,552
Closing balance	**30/6/2018**	192,484,478	**18,115,898**

(b) Movement in shares - period ended 30 June 2017

		2017	2017
Fully paid ordinary shares	Date	No.	S$
Opening balance		150,148,595	5,824,675
Issuance of shares	5/9/16	16,345,778	6,742,372
Conversion of performance rights (note 15c)	16/9/16	982,500	300,915
Shares issued for acquisition (note 10 iii)	15/5/17	6,016,671	935,947
Equity raising costs		-	(294,919)
Closing balance	**30/6/2017**	**173,493,544**	**13,508,990**

Ordinary shares participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held. At shareholders' meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

(c) Movement in performance rights - period ended 30 June 2018		2018	2017
		No.	No.
Opening balance		5,050,000	6,550,000
Vested – shares issued 16/9/16 (Note 15b)		-	(982,500)
Granted to employees 28/7/17		2,200,095	
Lapsed		(2,805,560)	(517,500)
Closing balance	**30/6/2018**	**4,444,535**	**5,050,000**

16 Earning per Share

The weighted average number of shares used as the denominator for the basic earnings per share calculation was 183,867,986 based on the details shown in note 15 (Year ended 30 June 2017; 165,088,679).

The diluted Earnings per share calculation assumes that potential shares include the 2,200,095 performance rights issued on 28 July 2017, and that the employment criteria for these to vest is assumed to be have been waived. The weighted average number of shares would increase by 2,031,321 to 185,899,306. The accelerated AASB2 charge under that scenario is $195,279, thus the diluted profit is $1,785,423

17 Reserves

	30/6/18	30/6/17
	S$	S$
Share Based Payment Reserve	590,358	-
Foreign currency translation reserve	(39,641)	(26,990)
	550,717	(26,990)
Share Based Payment Reserve		
Balance at beginning of the period	-	300,915
Performance shares recognised during the period	590,358	-
Transfer to share capital on issuance of Performance shares	-	(300,915)
Balance at end of the period	590,358	-

The share based payment reserve is used to recognise:

- The fair value of options issued to employees and consultants but not exercised
- The fair value of performance shares issued to employees as the charge arises in the statement of profit and loss.
- The fair value of performance shares issued to directors based on an estimate of the probability of those shares vesting.

On 28 July 2017 CoAssets granted 2,200,095 performance rights to employees, with vesting dates on 31 July 2018 and 31 July 2019, subject to continuing employment conditions. These are recognised based on the 30 day prior volume weighted average price of CoAssets shares (26.9c AUD) and an exchange rate of 1.084 on grant date, with the charge to the statement of profit and loss occurring over the required employment periods. In addition, a charge of $180,000, related to Directors' performance shares, was charged during the period, based on a price of 15.0c AUD and an exchange rate of 1.000 on 1,200,000 performance rights.

Foreign Currency Translation Reserve	2018 S$	2017 S$
Balance at beginning of the period	(26,990)	(89,152)
Reserve arising on translation of foreign subsidiaries	(5,608)	68,058
Non-controlling interest share of translation	(7,043)	(5,896)
Balance at end of the period	(39,641)	(26,990)

Foreign currency translation

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries. It is also used to record the effect of hedging net investments in foreign operations.

18 Borrowings

	2018 S$	2017 S$
Borrowings	16,166,580	4,703,456

Borrowings are Issued Promissory Notes with terms of 3 to 12 months with applicable interest rates of 5 to 11%

19 Financial Risk Management Policy

The Group is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk, market risk (including currency risk, interest rate risk and price risk) and liquidity risk. The directors carried out their financial risks management in accordance with established policies and procedures.

The following sections provide the Group's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

(a) Market risk

(i) Currency risk

The Group's exposure to foreign currency risk arises on financial assets and liabilities recognised at the end of the reporting period whereby a future change in foreign exchange rates will affect future cash flows or the fair value of financial instruments. The financial instruments that expose the Group to foreign currency risk are limited to cash and cash equivalents held in currencies other than Singapore Dollars.

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities that are denominated in a currency that is not the consolidated entity's functional currency.

The Group did not have any formal policies in place regarding currency risk during the year as it was not considered significant. This will be monitored as appropriate going forward and introduced as necessary.

(ii) Interest rate risk

The Group is not exposed to material interest rate risk as all material interest-bearing assets and liabilities have fixed rates and have maturities of a similar short-term nature.

(b) **Credit risk**

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in a loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties, and in some cases also requiring collateral, as a means of mitigating the risk of financial loss from defaults. The Company performs ongoing credit evaluation of its counterparties' financial condition.

As at 30 June 2018, the Company had 6 credit exposures exceeding S$0.5m, arising from loans and advances. (2017: 4).

The carrying amounts of financial assets recorded in the financial statements, grossed up for any allowances for losses, represent the Company's maximum exposure to credit risk.

The Company's major classes of financial assets are cash and cash equivalents, trade and other receivables and loans and advances.

Cash and cash equivalents are deposited with reputable banks with minimum risk of default.

Trade receivables that are neither past due nor impaired are substantially creditworthy debtors with collection track records with the Company.

All impaired trade receivables $296,450 (2017: $586,850) and loans and advances $80,000 (2017: $255,148) are 100% provided for and are past due over 3 months**.**

The credit quality of financial assets that are neither past due nor impaired has been assessed by reference to external credit ratings (if available), by reference to the Group's internal assessment process – 'CoAssets Risk assessment model' (CRAM) scoring, or directly by the Group's Executive Committee with respect to counterparty default history.

	2018	**2017**
The counterparties with external credit rating were:	**S$**	**S$**
Cash and cash equivalents – 'AA' S&P Rating	7,769,604	1,942,997
Counterparties without external credit rating:		
Directly Assessed by Executive Committee	8,509,204	5,362,130
High Risk (CRAM <45)	367,553	14,400
Medium Risk (CRAM 45 – 54)	143,449	200,567
Low Risk (CRAM >55)	36,500	439,676
	9,056,706	6,016,773

Liquidity risk

Liquidity risk is a risk that the Group will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's exposure to liquidity risk arises primarily from mismatches of loan repayment and borrowing repayment timing. The Group's objective is to maintain a balance between funding and financing by managing the maturity profiles and carrying sufficient cash balances.

The Group's liquidity risk management policy is to maintain sufficient liquid financial assets to pay for liabilities that are due in the next six months. A significant proportion of the group borrowings are rolled over to new promissory note funding at maturity which also assists liquidity management. All of the Groups financial liabilities have a maturity profile with contractual payments due within the next 12 months.

20 Remuneration of Auditor	2018 S$	2017 S$
Audit Services		
DFKLV	20,000	-
Other entities related to DFKLV	15,000	-
BDO (WA) Pty Ltd	-	22,790
Other entities related to BDO (WA) Pty Ltd auditors	-	22,122
Non- Audit Services		
DFKLV Half year review	10,000	-
BDO (WA) Pty Ltd	-	4,109
Total	**45,000**	**49,021**

21 Fair Values of Financial Instruments

The carrying values of all financial assets and liabilities of the Group approximate their fair values, due to the relatively short term maturity of the financial instruments measured at amortised cost; or for investments, as the carrying amounts are equal to fair value which has been determined by using the fair value hierarchy below.

Fair value hierarchy

The Group classifies assets and liabilities carried at fair value using a fair value hierarchy that reflects the significance of the inputs used in determining that value. The following table analyses financial instruments carried at fair value by the valuation method. The different levels in the hierarchy have been defined as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Fair value of financial instruments that are not traded in an active market (for example investments in unlisted subsidiaries) are determined using valuation techniques.

The carrying amounts are estimated to approximate fair values of financial assets and financial liabilities as follows:

	30/06/18 S$	30/06/17 S$
Financial Assets		
Cash and cash equivalents	7,769,604	1,942,997
Trade and other receivables	4,462,682	1,163,501
Loans and advances	9,056,706	6,016,773
Investments	1,736,184	1,139,447
Total Financial Assets	23,025,176	10,262,718
Financial Liabilities		
Borrowings	16,168,580	4,703,456
Trade and other financial liabilities	949,045	1,083,207
Total financial liabilities	17,117,625	5,786,663

The methods and assumptions used to estimate the fair value of financial instruments are outlined below:

Cash/financial liabilities and loans

The carrying amount is fair value due to the short term or liquid nature of these assets.

Receivables/payables

Due to their short-term nature, the carrying amount of the current receivables and current payables is assumed to approximate their fair value.

Investments

The method of determining the fair value of investments is set out in note 10

22 Related Parties

Key management personnel compensation

The key management personnel compensation is as follows:

	2018	2017
	S$	S$
Short-term benefits	475,536	740,339
Post-employment benefits	44,540	49,169
Share-based payments	325,968	-
	846,044	789,508

Transactions with directors, key management personnel and their related entities

Trade Receivables (payable within one year) contains an amount of S$392,231 due from a Director of Fujian Shanding Network Technology Co. Ltd who is not a Directors of the Group. Trade Payables contains an amount of S$41,237 due to a Director of Fujian Shanding Network Technology Co. Ltd who is not a Director of the Group.

23 Subsidiaries and non-controlling interests

(a) Subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries:

Name of entity	Country of Incorporation	Class of shares	Equity holding 2018	Equit holding 2017	Functional Currency
CoAssets Pte Ltd	Singapore	Ordinary	100%	100%	Singapore $
CoAssets International Pte Ltd	Singapore	Ordinary	100%	100%	Singapore $
CoAssets Real Estate Pte Ltd	Singapore	Ordinary	100%	100%	Singapore $
CoAssets Sdn Bhd	Malaysia	Ordinary	100%	100%	Malaysian Ringit
Fujian Shanding Network Technology Co. Ltd	China	Ordinary	40%	40%	Chinese Yuan Renminbi
CoAssets Australia Pty Ltd	Australia	Ordinary	100%	100%	Australian $

(b) Non-controlling interests

The group has only one subsidiary which has non-controlling interests; summarised financial information is set out below before intercompany eliminations.

Fujian Shanding Network Technology Co. Ltd	30/06/18	30/06/17
	S$	S$
Summarised statement of financial position		
Cash and cash equivalents	650,006	70,635
Trade and other receivables	29,157	816,569
Property, Plant and Equipment	14,444	12,984
Total Assets	693,607	900,188
Current Liabilities	67,187	10,750
Total Liabilities	67,187	10,750
Net Assets	626,420	889,438
Accumulated NCI	375,852	533,663
Summarised statement of profit or loss and other comprehensive income		
Revenue	181,468	172,760
Loss for the period	(274,756)	(277,328)
Other comprehensive income	11,738	9,826
Total comprehensive loss	(263,018)	(267,502)
Total Comprehensive loss allocated to NCI	(157,810)	(160,501)
Dividend paid to NCI	-	-
Summarised cash flows		
Cash flows from operating activities	606,780	(1,109,153)
Cash flows from investing activities	(28,341)	(7,025)
Cash flows from financing activities	-	1,040,000
Effects of foreign exchange	932	2,891
Net (decrease) /increase in cash and cash equivalents	579,371	(73,287)

24 Notes to cash flow statement

	1/7/17 to 30/6/18 S$	1/7/16 to 30/6/17 S$
Reconciliation of Profit/loss to Operating cash flow		
Profit/(Loss) before income tax	1.995,848	(6,425,251)
Adjustments for:		
Unrealised investment and fair value gains	(2,484,363)	-
Impairment loss provisioning	(10,200)	585,387
Depreciation and amortisation	173,847	99,935
Interest expense	975,539	270,346
Interest income	(1,092,604)	(387,356)
Share based payments	731,553	-
Operating cash flows before working capital changes	289,620	(5,856,939)
Working capital changes:		
Trade and other receivables	(3,440,660)	270,877
Non-trade payables	153,042	(306,153)
Other working capital changes	76,895	3,929
Cash absorbed by operations, representing net cash used in operating activities	(2,921,103)	(5,888,286)

25 Parent entity disclosure

The statement of financial position of the parent company CoAssets Limited as at 30 June 2018, and the loss for the period then ended, is set out below.

Financial Position	30/6/18 S$	30/6/17 S$
Cash and Cash Equivalents	154,738	245,988
Trade and other receivables	12,576	6,483
Total current assets	167,314	252,471
Intercompany loans	6,952,980	3,752,072
Investments in subsidiaries	4,685,972	870,964
Other non-current assets	57,914	62,076
Total non-current Assets	11,696,866	4,715,112
TOTAL ASSETS	**11,864,180**	**4,937,583**
Trade and other payables	46,784	127,693
Total current liabilities	46,784	127,693
NET ASSETS	**11,817,396**	**4,809,890**
Issued capital	18,115,898	13,508,990
Reserves	178,057	355,168
Accumulated losses	(6,476,559)	(9,054,268)
TOTAL EQUITY	**11,817,396**	**4,809,890**

Financial Performance	**30/6/18**	**30/6/17**
	S$	**S$**
Profit/(loss) for the period	2,577,709	(6,197,451)
Other comprehensive income/(loss)	(767,469)	(23,260)
Total comprehensive profit/(loss)	**1,810,240**	**(6,220,711)**

The parent entity has no commitments or contingent liabilities at period end (2017: none).

26 Share Based Payments

The Group provides benefits to directors and employees in the form of share-based payment transactions, where performance rights are issued as an incentive to improve director, employee and shareholder goal congruence.

(a) 2017 Employee Performance Rights

	Balance at the start of the period	**Granted during the period**	**Lapsed during the period**	**Balance at end of period**
Performance Rights				
Employees				
Vesting 31 July 2018	-	1,100,043	27,779	1,072,264
Vesting 31 July 2019	-	1,100,052	27,781	1,072,271
Total	5,050,000	2,200,095	55,560	2,144,535

On 28 July 2017, the Company issued 2,200,095 performance rights to employees. These performance rights vest in 2 tranches as above, subject to employees being employed by CoAssets on the date of vesting. A share based payment expense is included with employee costs, accounting for the value of the potential shares on grant date spread over the qualifying employment period.

2,000,000 of the performance rights were granted to an employee who was a KMP, as set out in the remuneration report.

(b) 2015 Directors Performance Rights

Performance shares carry no dividend or voting rights. When each performance condition is satisfied, each performance share is converted in to one ordinary share of the Company with full dividend and voting rights. Set out below is a summary of the performance shares movements during the year:

	Balance at the start of the period	Vested during the period	Cancelled during the period	Balance at end of period
Performance Rights				
Directors				
Getty Goh	1,600,000	-	750,000	850,000
Huan Kiat Seh	1,600,000	-	750,000	850,000
Nicholas Ong (i)	450,000	-	150,000	300,000
Daniel Smith (i)	950,000	-	950,000	-
Jeffrey Chi	450,000	-	150,000	300,000
Total	5,050,000	-	2,750,000	2,300,000

Details of the performance rights outstanding at 30 June 2018 are as follows:

Tranche Number	Grant Date	At start of period	Vested Number	Cancelled Number	At end of period	Probability*	Share Price
1	30/11/2015	-	-	-	-		
2	30/11/2015	1,050,000	-	1,050,000	-		
3	30/11/2015	1,300,000	-	1,300,000	-		
4	30/11/2015	1,400,000	-	200,000	1,200,000	100%	$0.15
5	30/11/2015	1,300,000	-	200,000	1,100,000	0%	-

*Director assessment of the probability of the milestones being achieved.

(6) These rights were to vest upon the Company successfully listing on the ASX with a minimum A$5m raising and up to A$10m. The share based payment expense was recorded in the period ending 30 June 2016 and subsequent to year end, the shares were issued to Directors.

(7) The shares associated with these rights were to be issued upon achievement of $10,000,000 project funding in China or Australia (over a 12 month period). The expiry date for these rights was 31 December 2017 and they have lapsed.

(8) The shares associated with these rights were to be issued upon the achievement of greater than $6,500,000 revenue in any 12 month period. The expiry date for these rights was 31 December 2017 and they have lapsed.

(9) The shares associated with these rights are to be issued upon the achievement of greater than $1,000,000 EBITDA in any 12 month period. The granted number of rights is attributable to Directors as follows:

Getty Goh Te-Win	450,000
Seh-Huan Kiat	450,000
Chen Chik (Nicholas) Ong	150,000
Jeffrey Chi	150,000

Given the current year performance, the Board has assessed that it is highly likely that the shares associated with these performance rights will be issued. Hence, a share based payment expense of $180,000 has been included in the current period. The performance rights issued to Daniel Smith were cancelled upon his cessation as a director.

(10) The shares associated with these rights are to be issued upon the achievement of greater than $10,000,000 revenue in any 12 month period. The performance rights issued to Daniel Smith were cancelled upon his cessation as a director. The remaining rights The granted number of rights is attributable to Directors as follows:

Getty Goh Te-Win	400,000
Seh-Huan Kiat	400,000
Chen Chik (Nicholas) Ong	150,000
Jeffrey Chi	150,000

27 Contingent Liabilities

There are no contingent liabilities at 30 June 2018 and 30 June 2017.

28 Commitments for Expenditure

There are no capital, leasing or expenditure commitments at 30 June 2018 and 30 June 2017.

29 Events subsequent to Reporting Date

There has not arisen in the interval between the end of the financial year and the date of the report any matter or circumstance that has significantly affected, or may significantly affect the Consolidated Group's operations, results or the state of affairs in future financial years.

DIRECTORS' DECLARATION

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Directors' Declaration

In the opinion of the Directors of CoAssets Limited (the "Company"):

1. The attached consolidated financial statements, notes thereto and the additional disclosures included in the Directors' Report designated as audited are in accordance with the Corporations Act 2001, including:

   (a) complying with Australian Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

   (b) giving a true and fair view of the consolidated entity's financial position as at 30 June 2018 and of its performance for the financial year ended on that date; and

   (c) the financial statements also complies with International Financial Reporting Standards as disclosed in note 2(a) to the financial statements.

2. There are reasonable grounds to believe that the consolidated entity will be able to pay its debts as and when they become due and payable.

This declaration has been made after receiving the declarations required to be made to the Directors in accordance with sections 295A of the Corporations Act 2001 for the financial year ended 30 June 2018.

Getty Goh

Director

Singapore

24 August 2018

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

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dfk laurence varnay
LEADING ACCOUNTANTS AND BUSINESS ADVISERS

CoAssets Limited
ACN 604 341 826

Independent Auditor's Report to the shareholders of CoAssets Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of CoAssets Limited and Controlled Entities (the Group), which comprises the consolidated statement of financial position as at 30 June 2018, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion:

a) 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 30 June 2018 and of their financial performance for the year then ended; 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 as in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report.

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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 year ended 30 June 2018.

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Key Audit Matters (Cont'd)

These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Apart from above the key audit matters are:

Key audit matters	**How our audit addressed the key audit matters**
Recoverability of Loan and Advances and Trade and Other Receivables **Refer to Note 8 and 9**	
Loans and advances and Trade and Other Receivables as disclosed in notes 8 and 9 respectively represent significant assets to the Group as at 30 June 2018. These areas are considered key audit matters due to the significant increase in value and significant management judgement in the application of assumptions surrounding the collectability of amounts including any security.	Our procedures included review of component auditor workpapers and amongst others: • Selecting a sample of balances and obtaining external confirmation of Trade and Other Receivables and promissory notes to support the existence of those balances; • Evaluating the ability of Trade Receivables and borrowers to repay, including reviewing historic payment history and credit quality of Accounts Receivables, loans and advances; • Checking, on a sample basis, that payment terms of Account Receivable, loans and advances recognised at 30 June 2018 were being met subsequent to reporting date; • Challenging management's assumptions regarding the level of provisioning against the ageing loans and advances and Accounts Receivable; and • Assessing the adequacy of relevant disclosures in the financial report.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2018, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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Responsibilities of 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 to 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 the financial report.

As part of an audit in accordance with the 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 Group'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 and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group 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 financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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- 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 with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period 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 on pages 20-26 of the directors' report for the year ended 30 June 2018.

In our opinion, the Remuneration Report of CoAssets Limited, for the year ended 30 June 2018 complies with section 300A of the *Corporations Act 2001*.

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

DFK Laurence Varnay

Faizal Ajmat
Partner
Sydney
Date: 24 August 2018

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ASX ADDITIONAL INFORMATION

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CoAssets Limited
ASX Additional Information
For the financial year ended 30 June 2018

SHAREHOLDER INFORMATION AS AT 13 AUGUST 2018

Shareholder Information required by the Australian Securities Exchange Limited (ASX) Listing Rules and not disclosed elsewhere in the Report is set out below.

1. A statement disclosing the extent to which the entity has followed the recommendations set by the ASX Corporate Governance Council during the reporting period; identify recommendations that have not been followed and reasons for not following them.

In accordance with the 3rd edition ASX Corporate Governance Council's Principles and Recommendations, the FY2017 Corporate Governance Statement, as approved by the Board, is available on the Company's website at https://coassets.com/asx/ under Corporate Governance. The Corporate Governance Statement sets out the extent to which the Company has followed the ASX Corporate Governance Council's Recommendations during the financial year ended 30 June 2018.

2. Substantial shareholders

The number of securities held by substantial shareholders and their associates as per the substantial shareholding notices lodged with the ASX are set out below:

Fully paid Ordinary Shares

Name	Number of shares	Percentage	Notice Date
Mr Getty Goh	45,416,810	27.28	7 September 2016
Dr Huan Kiat Seh	35,421,030	21.27	7 September 2016
Expara	15,869,970	9.54	7 September 2016
Brighten Management Ltd	9,990,389	5.27	5 June 2018

3. Number of security holders and securities on issue

CoAssets has issued the following securities:

(a) 192,484,478 fully paid ordinary shares held by 353 shareholders;

(b) 10,108,597 listed $0.65 options held by 309 option holders, exercisable before 30 May 2019;

(c) 2,300,000 performance rights issued to 4 holders with expiry dates ranging from 31 December 2017 to 31 December 2018; and

(d) 2,144,535 performance rights issued to 21 holders. Out of these, 1,072,264, performance rights with an expiry date of 31 July 2018 have vested. 1,072,271 performance rights have an expiry date of 31 July 2019.

4. Voting rights

Ordinary shares

The voting rights attached to ordinary shares are that on a show of hands, every member present, in person or proxy, has one vote and upon a poll, each share shall have one vote.

Options and Performance Rights

Option holders and Performance Rights holders do not have any voting rights on the securities held by them.

5. Distribution of security holders

(a) Fully paid Ordinary Shares

Category	Fully paid Ordinary shares		
	Holders	Shares	%
1 - 1,000	15	4,245	0.00
1,001 - 5,000	26	91,349	0.05
5,001 - 10,000	90	610,651	0.32
10,001 - 100,000	138	5,122,619	2.66
100,001 and over	84	186,655,614	96.97
Total 353		192,484,478	100

(b) $0.65 Options

Category	$0.65 Options		
	Holders	Options	%
1 - 1,000	1	10	0.00
1,001 - 5,000	171	534,731	5.29
5,001 - 10,000	35	235,922	2.33
10,001 - 100,000	81	2,466,317	24.40
100,001 and over	21	6,871,617	67.98
Total	309	10,108,597	100

(c) Performance Rights with expiry dates ranging from 31 December 2017 to 31 December 2018

Category	Performance Rights (with expiry dates ranging from 31 December 2017 to 31 December 2018)		
	Holders	Performance Rights	%
1 - 1,000	0	0	0
1,001 - 5,000	0	0	0
5,001 - 10,000	0	0	0
10,001 - 100,000	0	0	0
100,001 and over	4	2,300,000	100
Total	4	2,300,000	100

(d) Performance Rights with expiry dates of 31 July 2018 and 31 July 2019

Category	Performance Rights (with expiry dates of 31 July 2018 and 31 July 2019)		
	Holders	Performance Rights	%
1 - 1,000	2	1,719	0.08
1,001 - 5,000	9	29,326	1.36
5,001 - 10,000	5	42,650	1.98
10,001 - 100,000	4	70,840	3.30
100,001 and over	1	2,000,000	93.28
Total	21	2,144,535	100

6. Unmarketable parcel of shares

The number of shareholders holding less than a marketable parcel of fully paid ordinary shares is 27 based on the Company's closing share price of $0.16 on 13 August 2018.

The number of option holders less than a marketable parcel of $0.65 options is 266 based on the Company's closing option price of $0.011 on 13 August 2018.

7. Twenty largest shareholders of quoted equity securities

Fully paid ordinary shares

Details of the 20 largest shareholders by registered shareholding:

	Name	No. of shares	%
1	Goh Te Win Getty	45,678,810	23.73
2	Seh Huan Kiat	35,683,030	18.54
3.	Citicorp Nom PL	19,735,158	10.25
4	Brighten Mgnt Ltd	10,258,173	5.33
5	Leong Teep Yhee	11,182,545	5.81
6	Wu Jianyu	7,504,727	3.90
7	Chen Xiaoqing	6,018,084	3.13
8	HSBC Custody Nom Aust Ltd	3,794,961	1.97
9	BNP Paribas Noms PL	3,296,582	1.71
10	Tan Beng Ghee	3,189,755	1.66
11	Tan Jing Thong	3,129,320	1.63
12	BM Mine Ltd	2,527,042	1.31
13	Tse Tze Kim	2,527,042	1.31
14	Ong Beng Eng	2,277,000	1.18
15	Chia Boon Hwi	1,980,000	1.03
16	Kok Joyce Pei Li	1,932,435	1.00
17	Gn Wen Chong Gerald	1,819,470	0.95
18	Meng Koh Tat	1,500,000	0.78
19	Woo Peter Ping	1,349,437	0.70
20	China Express Inv Ltd	1,349,437	0.70
	Total	166,733,008	86.62

$0.65 Options

Details of the 20 largest option holders are:

	Name	No. of shares	%
1	Soucik Michael + Heather	1,355,000	13.40
2	Wu Jinayu	1,249,984	12.37
3.	HSBC Custody Nom Aust Ltd	625,000	6.18
4	CPS Cap Grp PL	580,705	5.74
5	Chia Boon Hwi	400,000	3.96
6	Ong Yan Fen	375,000	3.71
7	Ong Beng Eng	368,500	3.65
8	Yen Leu Siau	187,500	1.85
9	Chew Cheok Kim	184,500	1.83
10	Shan Sim Hui	175,000	1.73
11	Kwan Tan Tok	158,880	1.57
12	Huay Mdm Lim Guay	135,000	1.34
13	Gabrielle Wu Peining	125,000	1.24
14	Soong Alwin HC + Pei LC	125,000	1.24
15	Lin Fan Kwai	125,000	1.24
16	Arthur Boo Hai Seah	125,000	1.24
17	Choy Bong Seng	125,000	1.24
18	Thong Ng Ying	125,000	1.24
19	Yeon Kuek Yak	125,000	1.24
20	Xianyue Hue	101,500	1.00
		6,771,569	67.01

8. The number and class of restricted securities or securities subject to voluntary escrow that are on issue and the date that the escrow period ends:

(a) 83,133,074 fully paid ordinary shares held in escrow until 5 September 2018;

(b) 1,935,705 options exercisable at $0.65 on or before 30 May 2019; and

(c) 2,300,000 performance rights with expiry dates ranging from 31 Dec 2017 to 31 December 2018;and

(e) 2,144,535 performance rights with expiry dates of 31 July 2018 and 31 July 2019 (Out of these, 1,072,264, performance rights with an expiry date of 31 July 2018 have vested)

9. Unquoted securities

(a) Unlisted Performance Rights with expiry dates ranging from 31 December 2017 to 31 December 2018

2,300,000 unlisted performance rights held by 4 holders.

Details of holders of 20% or more of the 2,300,000 unlisted performance rights are as follows:

Name	Number	%
Getty Goh	850,000	36.95
Huan Kiat Seh	850,000	36.95

(b) Unlisted Performance Rights with expiry dates of 31 July 2018 and 31 July 2019

2,144,535 unlisted performance rights held by 21 holders.

Details of holders of 20% or more of the 2,144,535 unlisted performance rights are as follows:

Name	Number	%
Lawrence Lim	2,000,000	93.26

10. On market buy-back

There is no current on market buy-back.

11. Statement regarding use of cash and assets.

During the period between 1 July 2017 and 30 June 2018, CoAssets has used its cash and assets readily convertible to cash that it had at the time of ASX admission in a way consistent with its business objectives set out in the prospectus dated 19 August 2016.

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