Jayride Group Limited

ABN 49 155 285 528

Annual Report - 30 June 2019

Contents

Directors	Andrey Shirben - Chairman Rodney Bishop - Managing Director Zhongyuan (Ross) Lin Samuel Saxton Yifat Shirben Andrew Coppin
Company Secretary	Henry Kinstlinger
Registered office and principal place of business	Suite 1101 Level 11 55 Clarence Street Sydney NSW 2000 Email: corporate@jayride.com
Share register	Computershare Investor Services Pty Limited Yarra Falls 452 Johnston Street Abbotsford VIC 3067 Tel: 1300 787 272
Auditor	RSM Australia Partners Level 21 55 Collins Street Melbourne VIC 3000
Solicitors	Piper Alderman Level 23 Governor Macquarie Tower 1 Farrer Place Sydney NSW 2000
Bankers	National Australia Bank Northpoint Building Level 36 100 Miller Street North Sydney NSW 2060
Stock exchange listing	The Fully Paid Ordinary Shares of Jayride Group Limited are listed on the Australian Securities Exchange (ASX: JAY)
Website	www.jayride.com
Business objectives	Jayride Group Limited has used cash and cash equivalents held at the time of listing, in a way consistent with its stated business objectives.

Dear Shareholder,

I am pleased to present the Annual Report for Jayride Group Limited ('Jayride' or the 'Company') for the financial year ended 30 June 2019 ('FY19').

This was the most transformative year in Jayride's history as our Australian Company went from being a local operator to a global leader in transport and travel technology.

We demonstrated the true power of our marketplace model as the Company expanded its coverage from five countries to the 81 countries that represent all the world's major aviation markets, now offering travellers the choice of booking over 3,300 transport companies at over 1,500 airports around the world.

This new global foundation has unlocked enormous growth potential. The world market of passenger trips to and from airports exceed 7.7 billion trips per year, and now 6.6 billion (85%+) of them travel through airports which Jayride serves. This new foundation was announced in July 2019.

While launching these new destinations, the Company also delivered exceptional performance in existing countries with special focus, and success, at enhancing unit economics. In FY19 Passenger Trips grew +49% to 351,000, TTV grew +56% to $14.5 million, Net Revenues from Passenger Trips grew +71% to $3.3 million, and Gross Profits after Paid Acquisition ('GPAPA') from Trips grew +108% to $1.0 million.

This year we also became the first in the world to offer travellers the choice of fixed-price pre-booked ride-sharing options by selling named brands like Lyft, Gett, Grab and others to travellers through Expedia and other major travel platforms.

By the second half, GPAPA margins had grown to exceed 50% across all new and existing destinations, and the Company has continued its winning streak to deliver its sixth consecutive year (24 consecutive quarters) of quarter-on-quarter revenue growth.

The enormous opportunity ahead

Jayride is now positioned to leverage its network effects and scale into its new global foundations, to achieve true and lasting success as a profitable, global leader in transport and travel technology.

Global airport transfers are an enormous opportunity for the travel industry. Every year, travellers make 7.7 billion trips to and from airports, with an annual spend of US$100 billion. Yet despite the size of the market, no incumbent global leader in online travel exists with the power to help travellers make the right transport choices whenever they want to travel.

Travellers demand choice. They want local knowledge before they travel, to discover the best price, and to read reviews they can use to make the right decision.

For the travel industry, Jayride now makes global airport transfers available as a "turn-key" solution that any travel management company, online travel agency, or wholesaler can plug-in to enhance their offerings overnight.

Jayride's opportunity is to build the global brand that travellers trust to discover and book their transport, wherever on earth they travel. It is a wide-open opportunity ahead and this global foundation sets us on the path to be the comprehensive solution that every traveller needs. A global brand that has reinvented rides for travellers, and 'just works' everywhere on earth.

This landmark global roll-out has been seven years in the making and the market timing could not be better.

As we look to the global travel industry, we see a strong push by travellers towards more seamless, connected, delightful experiences including ones that are 'door-to-door'. As we look to the transport industry, we see a rich fabric of expert local businesses who are all seeking a trusted distribution partner to take them from local to global overnight.

Building in first half ('1H') and leveraging in the second half ('2H') of the financial year

FY19 started with six-months of heavy build for global roll-out including new technologies and concluded with six-months of leverage of this new foundation.

In 1H, the Company scaled up its global roll-out, released its new organic-search optimised website, and launched new ride types, including non-emergency medical-assist, and rideshares with top global brands including Lyft, Gett, Grab, Careem and more.

In 2H, the Company has just begun to leverage these foundations and achieved +443% growth in Net Revenue in new destinations, and +306% growth in GPAPA in our original destinations, half-over-half. All destinations now trade at over 50% GPAPA margin.

Today Jayride is strongly positioned to scale to profitability, with a cash burn in the last quarter of the year of only $0.9 million and current assets of $3.3 million including research and development tax incentive which has been received in August 2019.

The traveller experience

With best content and best service, Jayride will benefit from the loyalty of our travellers who come back time and time again. We believe that only by having the best transport content, and the best customer service, can we truly win in our service of the traveller.

With our new global transport platform, we see a +20% growth in traveller retention over the last 6-months – from 4 trips per traveller in 12-months to December 2018, to now 5 trips per traveller in 12-months to June 2019.

The work will never be 'complete' – we will always lean into traveller experience. As we go forward from here into the financial year ending 30 June 2020 ('FY20') this means to enhance our depth and quality of transport companies available, so that we always have the best options; and to streamline our customer service, so that travellers can get what they need in a way that is comprehensive, fast, painless, and 24-7.

Jayride now looks ahead to its objectives of one million and 10 million Passenger Trips Booked per year.

Forward outlook

We see an enormous opportunity to leverage Jayride's new global foundation. Since July 2019 Jayride now allows any travel management company, online travel agency, or wholesaler to 'turn-key' the entire global airport transfers industry through one integration. Since our announcement in July of this new landmark, interest from the travel industry has increased and we see opportunities for this to be a key driver of performance across FY20.

Our success at enhancing our unit economics in FY19 sets us up strongly for FY20 and FY21. Our intent is to scale into these new foundations while retaining our new economics of 50% profit at GPAPA level. Whereas experimentation on profitability was a headwind to revenue growth in FY19, looking ahead to FY20 and FY21 no further experimentation with GPAPA is required. The work now is to leverage and scale today's economics to make a robustly profitable high-growth public Company.

One million Passenger Trips Booked is our near-term objective, and we believe that today's global footprint and demand from travellers will carry us there. We look forward to working closely with the transport companies who go to market on our platform, and to ensure that every traveller always will find the best and most comprehensive service with Jayride.

We aspire to be EBITDA profitable by one million Passenger Trips Booked, and to pass cash flow break-even prior to that as a result of share-based compensation and positive working capital.

On behalf of the Company, I would like to thank our shareholders for their continued support, and to thank our team for delivering our truly one-of-a-kind global expansion this year.

With best regards and looking forward to FY20 ahead.

Yours sincerely,

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Rodney Bishop
Managing Director and Co-founder

30 September 2019
Sydney

The directors present their report, together with the financial statements, on the Company for the year ended 30 June 2019.

Directors

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

Andrey Shirben - Chairman
Rodney Bishop - Managing Director
Zhongyuan (Ross) Lin
Samuel Saxton
Yifat Shirben
Andrew Coppin (appointed on 14 May 2019)
Jamila Gordon (resigned on 13 May 2019)

Principal activities

Jayride Group owns and operates Jayride.com a world leading global airport transfers marketplace, which creates seamless experiences for travellers by allowing them to compare and book airport transfers around the world. With Jayride.com, travellers can compare and book with 3,300+ transport companies, servicing 1,500+ airports, in 81 countries around the world, including the Americas, Europe, Middle East, Africa, Asia and the Pacific.

The Jayride.com platform aggregates ground transport companies and distributes them to travellers at Jayride.com; and via partnerships with other travel technology platforms, travel agencies and wholesalers. These partners implement Jayride.com APIs to sell ground transport and add new incremental ancillary revenue to their travel businesses.

The Company earns the majority of its revenue from passenger trips booked, where the Company acts as an agency for the traveller with the transport company and earns a commission on sale. Travellers visit Jayride.com or a Jayride partner to book passenger trips.

The Company receives the Total Transaction Value ('TTV') for Passenger Trips and holds the funds on behalf of the traveller until after travel, at which point the Company remits payment of net fares to the transport company, retaining its commission. This commission, net of refunds, is the majority of the Company's revenue.

Jayride’s opportunity is to create the world’s first trusted global transport brand for travellers; a brand that travellers can trust and take with them as they travel around the world. Our purpose is “to let the traveller ride like a local”.

Founded in 2012, Jayride.com is headquartered in Sydney, Australia.

No significant changes in the nature of the Company's activity have occurred during the financial year.

Dividends

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

Review of operations

The loss for the Company after providing for income tax amounted to $8,201,109 (30 June 2018: $5,762,692).

FY19 Results summary

In FY19, the Company completed a world-first global roll-out of its transport platform, launching in new destination countries around the world, to provide a comprehensive solution for Jayride travellers.

Destination countries served increased 1,500% from 5 countries to 81 countries, airports served increased 182% from 537 airports to 1,515 airports, and transport companies online grew 58% from 2,100 to 3,300.

The international expansion is designed to provide profitable growth in FY20 and FY21. The positive business performance of the new destinations expanded quickly from a zero base, and began to make their mark on the Company’s overall business towards the end of FY19.

In FY19, the Company became more effective at generating free cash flows from trips. Passenger trips grew +49% to 351,000, TTV grew +56% to $14.5m, net revenues from passenger trips grew +71% to $3.3m, and Gross Profits After Paid Acquisition ('GPAPA') from trips grew +108% to $1m.

1H FY19

In 1H FY19, the Company heavily invested in global roll-out and new technology capability.

The FY19 global rollout was the culmination of seven years of work to create a technology platform capable of scaling to serve every traveller and every transport company around the world. This expansion was the result of the Company’s long-term strategy and was primarily funded by the Company’s 2017 pre-initial public offering ('IPO") and 2018 IPO.

The technology infrastructure which launched in May 2019 was used during the FY19 financial year to take transport companies "from local to global, overnight", and by the end of June 2019 to create "turn-key” access for the global travel industry to "plug-in" the entire global airport transfers industry.

Key results of global roll-out:
- Jayride commenced its major international expansion, leveraging its new technology platform to launch new destination countries around the world. The roll-out continued all year and was announced in July 2019;
- Passenger trips booked growth accelerated to +22% half-over-half, achieving a total of 154,000 passenger trips booked; and
- Passenger trips booked in new destination countries was the fastest growth segment, expanding from a near-zero base to 11,000 passenger trips booked.

In parallel to the global roll-out, the Company invested in platform enhancements "reinventing rides for travellers" in order to give travellers more access and more choice with different types of rides.

Key results of reinventing rides for travellers:
- The world-first launch of ride-sharing services for travellers. The launch culminated with major international ride-sharing brands for sale on the Jayride platform, including Lyft, Gett, Cabify, Careem, Kapten, MyTaxi, Grab (and more) available to be pre-booked at fixed prices with dispatch when travellers land in destination;
- The launch of full-service non-emergency medical assist rides for travellers from major travel management companies and insurance companies, catering to travellers who need full-service traveller assistance or are mobility impaired; and
- The launch of enhanced SEO website to allow travellers to discover Jayride more easily on Google, with low-to-zero cost of customer acquisition for Jayride.

2H FY19

In 2H FY19, the Company completed its new technical foundations, and began to leverage them.

In January, Jayride management changed the Company’s financial objective to "transition from all growth is good, to only profitable growth is good". Towards this objective in 2H FY19 the Company pursued the following core strategies:
- For Jayride new destination countries, accelerate go-to-market to grow revenues with GPAPA profitability;
- For Jayride original destination countries, maintain top-line performance while experimenting to see how high GPAPA profit margins can be raised; and
- Reduce investment into growth cost centres with focus to leverage the development from 1H, to improve EBITDA and reduce cash burn.

All key strategies achieved strong results, with profit growth across all destinations, fast revenue growth in new destinations, and strongly reduced operating losses and cash burn.

Key results of "profitable growth" period:

- Passenger trips booked growth continued to accelerate to +27% half-over-half, achieving a total of 196,000 passenger trips booked;
- Passenger trips booked in new destination countries was the fastest growth segment, growing +388% half-over-half from 11,000 to 56,000 passenger trips booked;
- Passenger trips booked became strongly diversified internationally, with 65%+ of trips booked outside of Australia;
- In new destination countries, revenue increased +443% half-over-half;
- In original destination countries, GPAPA profit increased +306% half-over-half;
- GPAPA profit margins in all destination countries increased to exceed 50%, which outperformed Jayride's previous aspirational target for GPAPA profit margins of 35%;
- Cost of customer acquisition reduced/improved 31% half-over-half;
- Growth expenses and Capex reduced/improved 25% half-over-half;
- Operating losses reduced/improved 38% half-over-half;
- In Q4 FY19, cash burn had reduced to $0.9m per quarter; and
- The Company finished Q4 FY19 with $3.4m of current assets.

Funding

To continue to invest in growth throughout the period, the Company raised $1.7m in a placement in December 2018, and a further $3m debt finance facility in March 2019, of which the Company has drawn down $2m.

In addition to this funding, the Company was eligible for a $950,000 R&D Tax Incentive for its research and development work during FY19, and submitted the maximum $150,000 Export Market Development Grant application for the international expansion work during FY19.

Subsequently to the end of the period the $950,000 R&D Tax Incentive and first $40,000 tranche of the Export Market Development Grant has been received.

The Company continues to have $1m of its debt finance facility available to be drawn down from 1 January 2019 subject to the terms of the facility, and also has $9m of stock options with exercise price of $0.553 due to expire at 31 March 2020.

Significant changes in the state of affairs
There were no significant changes in the state of affairs of the Company during the financial year.

Matters subsequent to the end of the financial year
No matter or circumstance has arisen since 30 June 2019 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

Likely developments and expected results of operations
Jayride has outlined its objective to reach 1m passenger trips booked in FY21.

Towards this objective, the Company continues to invest strongly in profitable growth, with intent to continue to reduce/improve operating losses and cash burn as it moves towards this core objective.

In July 2019, the Company announced the successful completion of its new global foundation, which allows travellers and travel industry partners to compare and book with 3,300+ transport companies, at 1,500+ airports in 81+ countries, globally through a single source.

Subsequent to this announcement in July 2019, the Company has commenced new work with an increased number of travel industry partners, who are rolling out Jayride across their operations, or implementing Jayride APIs to add airport transfers to their applications.

As a result of these integrations and other initiatives, Jayride is on track towards its 1m passenger trips booked objective, and will continue to grow and diversify revenues and passenger trips booked across new destinations during FY20 and FY21.

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

Information on directors

Name:	Andrey Shirben
Title:	Chairman
Experience and expertise:	Andrey is a serial entrepreneur and investor. He is the founder of SYD Ventures (a venture company that invests in early-stage start-ups) and co-founder of Follow The Seed (a data-driven global VC fund for companies seeking post-seed investment). Andrey has established numerous companies and invested in over 100 start-ups. Andrey was Jayride's first investor in 2012 and since then, a Non-Executive Director. In 2018 he was appointed as Jayride's Chairman. Equipped with technical background, Andrey has strong business acumen skills with extensive experience in setting up global markets, online marketing, business development and commercialisation.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Member of the Remuneration and Nomination Committee.
Interests in shares:	321,700 ordinary shares held directly and 11,409,911 ordinary shares held indirectly.
Interests in options:	2,000,000 options over ordinary shares and 300,000 performance options over ordinary shares.

Name:	Rodney Bishop
Title:	Managing Director
Experience and expertise:	Rod co-founded Jayride in 2012 and has built the Company from concept through to what it is today. Rod is a transport technology thought leader with 15 years' of experience in founding companies and leading teams. In addition to team leadership, Rod has deep subject matter expertise in passenger transport and is a vocal proponent of open data ecosystems and standards for global transport distribution. His prior roles have included being the Founder of Hitch (marketplace for hitchhikers), a founding member of The Ridesharing Institute NZ (an alternative transport NGO) and Marketing Director at Navigo (enterprise software sales).
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Member of the Audit and Risk Committee and Member of the Remuneration and Nomination Committee.
Interests in shares:	10,888,512 ordinary shares held directly.
Interests in options:	2,100,000 performance options over ordinary shares.

Name:	Zhongyuan (Ross) Lin
Title:	Non-Executive Director
Experience and expertise:	Ross is a co-founder of Jayride. He is an accomplished technology entrepreneur with extensive technology solutions strategy, planning and implementation experience. Ross is a deep technical expert with over 13 years' of experience in geospatial technology and e-commerce marketplaces. Ross has served the Company since its inception as CTO- Emeritus for six years, and now remains co-founder, board member, and technical contributor to the Company. His prior experience has included roles such Senior .NET Developer at Fairfax Digital (e-commerce marketplace), Senior .NET Developer at Grays Online (e-commerce marketplace), Senior .NET Developer at TradeMe (e-commerce marketplace) and Geo-Spatial Developer at Project X (spatial mapping platform).
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	None
Interests in shares:	10,045,048 ordinary shares held directly.
Interests in options:	300,000 performance options over ordinary shares.

Name:	Samuel Saxton (MAICD)
Title:	Non-Executive Director
Experience and expertise:	Sam has over 15 years' of experience as a technology consultant having delivered significant change programs across the telecommunications, energy, retail and construction sectors. Sam is an experienced entrepreneur, founding his first business at 19, with successful exits. Being active in both the Australian and New Zealand start-up ecosystems, Sam supports the growth of early-stage companies as an angel investor, advisor and director. Sam led the Sydney Angel's syndicate that invested into Jayride in 2012 and has been a Non-Executive Director in the Company since then.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Chair of the Audit and Risk Committee
Interests in shares:	754,644 ordinary shares held directly.
Interests in options:	27,125 options over ordinary shares and 300,000 performance options over ordinary shares.

Name:	Yifat Shirben (GAICD)
Title:	Non-Executive Director
Experience and expertise:	Yifat is a graduate member of the Australian Institute of Company Directors (GAICD) and has over 10 years' of international experience in entrepreneurship and marketing. She is the co-founder of 'Flint & Spark - Entrepreneurial Marketing' and has developed a unique consumer-driven approach for marketing and business strategies. She has a demonstrated track record of leading cross-functional expert teams and career training and has extensive knowledge in strategical messaging, go-to market planning, PR and digital marketing. She is highly accomplished in developing new business, improving operational and financial performance, identifying deficiencies and potential opportunities, developing innovative and cost-effective marketing solutions for enhancing competitiveness, increasing revenues and improving customer satisfaction. Yifat is an international speaker, mentor and an active voice in the local innovation eco-system.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Member of the Audit and Risk Committee
Interests in shares:	25,416 ordinary shares held directly and 2,661,188 ordinary shares held indirectly.
Interests in options:	300,000 performance options over ordinary shares.

Name:	Andrew Coppin (GAICD) (appointed on 14 May 2019)
Title:	Non-Executive Director
Experience and expertise:	Andrew is a highly driven, experienced executive and company director. He is an active early stage investor and venture fund manager who has considerable experience with technology start-ups, turnarounds and high growth companies. He has been a founder, mentor, executive and non-executive director and investor in a significant number of companies over the past decade and has a deep understanding of Logistics and FinTech businesses with global applications. His professional experience spans all areas of financial markets, capital raising, wealth management, business operations, compliance and leading edge disruptive and information technology. He is a Graduate of the Australian Institute of Company Directors (GAICD), a Master Stockbroker (MSAFAA) and the holder of an Australian Financial Services License (AFSL).
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Member of the Remuneration and Nomination Committee
Interests in shares:	4,000 ordinary shares held directly and 69,340 ordinary shares held indirectly.
Interests in options:	10,000 options over ordinary shares.

Name:	Jamila Gordon (GAICD) (resigned on 13 May 2019)
Title:	Former Non-Executive Director
Experience and expertise:	Jamila is the CEO and Founder of Lumachain, a technology platform that disrupts traditional enterprise supply chains using blockchain, IoT and AI to provide transparency, safety and trust throughout the supply chain. She is one of Australia's most respected IT and digital leaders and an advisory board member of VentureCrowd. Her background includes roles as Group Chief Information Officer of Qantas Airways and Leighton Holdings/CIMIC, and prior to this, as a global executive with IBM based in Europe, leading some of IBM's largest transformational 'mega-deals' with Solectron Manufacturing, AXA Insurance and ABN AMRO Bank. Jamila has a deep understanding of the corporate world from both a technology and business perspective, and an extensive network spanning the business, technology, start-up worlds, both in Australia and globally.
Other current directorships:	None
Former directorships (last 3 years):	Director of GetSwift Ltd (ASX: GSW) from September 2016 to November 2017
Special responsibilities:	Former Member of the Remuneration and Nomination Committee
Interests in shares:	Not applicable as no longer a director
Interests in options:	Not applicable as no longer a director

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

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

Company Secretary
Henry Kinstlinger (MAICD) is the company secretary. Henry has, in the past 30 years, been actively involved in the financial and corporate management of several public companies and non-governmental organisations. He is a professional company secretary and corporate consultant with broad experience in investor and community relations and corporate and statutory compliance.

Meetings of directors
The number of meetings of the Company's Board of Directors ('the Board'), Audit and Risk Committee and Remuneration and Nomination Committee held during the year ended 30 June 2019, and the number of meetings attended by each director were:

	Full Board		Audit and Risk Committee		Remuneration and Nomination Committee	
	Attended	Held	Attended	Held	Attended	Held
Andrey Shirben	16	16	-	-	1	1
Rodney Bishop	16	16	3	3	1	1
Zhongyuan (Ross) Lin	16	16	-	-	-	-
Samuel Saxton	16	16	3	3	-	-
Yifat Shirben	16	16	3	3	-	-
Jamila Gordon	12	13	-	-	1	1
Andrew Coppin	2	2	-	-	-	-

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

The above table includes resolutions passed by way of circulating resolution which the Company's constitution considers equivalent to the directors having held a meeting.

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

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

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

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 the achievement of strategic objectives and the creation of value for shareholders, and it is considered to conform to the market best practice in the start-up technology space for the delivery of reward. The Board of Directors ('the Board') ensures that executive reward satisfies the following key criteria for good reward governance practices:
- competitiveness and reasonableness;
- acceptability to shareholders;
- performance linkage / alignment of executive compensation; and
- transparency.

The Board is responsible for determining and reviewing remuneration arrangements for its directors and executives. The performance of the Company depends on the quality of its directors and executives. The remuneration philosophy is to attract, motivate and retain high performance and high quality personnel.

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

The reward framework is designed to align executive reward to shareholders' interests. The Board have considered that it should seek to enhance shareholders' interests by:
- having economic profit as a core component of plan design;
- focusing on sustained growth in shareholder wealth, consisting of dividends and growth in share price, and delivering constant or increasing return on assets as well as focusing the executive on key non-financial drivers of value; and
- attracting and retaining high calibre executives.

Additionally, the reward framework should seek to enhance executives' interests by:
- rewarding capability and experience;
- reflecting competitive reward for contribution to growth in shareholder wealth; and
- providing a clear structure for earning rewards.

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

Non-executive directors' remuneration
Fees and payments to non-executive directors reflect the demands and responsibilities of their role. Non-executive directors' fees and payments are reviewed annually by the Board. The Board may, from time to time, receive advice from independent remuneration consultants to ensure non-executive directors' fees and payments are appropriate and in line with the market. The chairman's fees are determined independently to the fees of other non-executive directors based on comparative roles in the external market. The chairman is not present at any discussions relating to the determination of his own remuneration. Non-executive directors do not receive share options or other incentives.

ASX listing rules require the aggregate non-executive directors' remuneration be determined periodically by a general meeting. The most recent determination was at the Annual General Meeting held on 27 October 2017, where the shareholders approved a maximum annual aggregate remuneration of $300,000.

Executive remuneration
The Company aims to reward executives based on their position and responsibility, with a level and mix of remuneration which has both fixed and variable components.

The executive remuneration and reward framework has four components:
- base pay and non-monetary benefits;
- short-term performance incentives;
- share-based payments; and
- other remuneration such as superannuation and long service leave.

The combination of these comprises the executive's total remuneration.

Fixed remuneration, consisting of base salary, superannuation and non-monetary benefits, are reviewed annually by the Board based on individual performance, the overall performance of the Company and comparable market remunerations.

Executives may receive their fixed remuneration in the form of cash or other fringe benefits (for example motor vehicle benefits) where it does not create any additional costs to the Company and provides additional value to the executive.

The short-term incentives ('STI') program is designed to align the targets of the business units with the performance hurdles of executives. STI payments are granted to executives based on specific annual targets and key performance indicators ('KPI's') being achieved. KPI's include profit contribution, customer satisfaction, leadership contribution and product management.

The long-term incentives ('LTI') include long service leave and share-based payments.

Company performance and link to remuneration
Remuneration for certain individuals is directly linked to the performance of the Company. A portion of cash bonus and incentive payments are dependent on defined earnings per share targets being met. The remaining portion of the cash bonus and incentive payments are at the discretion of the Board. Refer to the section below for details of the earnings and total shareholders return for the last five years.

Use of remuneration consultants
During the financial year ended 30 June 2019, the Company did not engage remuneration consultants to review its existing remuneration policies and provide recommendations on how to improve both the STI and LTI programs.

The Remuneration and Nomination Committee will consider the engagement of such consultants in accordance with the Companies Remuneration and Nomination Committee Charter.

Voting and comments made at the Company's 2018 Annual General Meeting ('AGM')
At the 2018 AGM, 97.71% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2018. The Company did not receive any specific feedback at the AGM regarding its remuneration practices.

Details of remuneration
The KMP of the Company consisted of the following directors of the Company:
- Andrey Shirben - Chairman
- Rodney Bishop - Managing Director
- Zhongyuan (Ross) Lin
- Samuel Saxton
- Yifat Shirben
- Andrew Coppin (appointed on 14 May 2019)
- Jamila Gordon (resigned on 13 May 2019)

And the following persons:
- Peter McWilliam - Chief Financial Officer
- Simon Carson - Chief Commercial Officer
- Henry Kinstlinger - Company Secretary

Amounts of remuneration
Details of the remuneration of KMP of the Company are set out in the following tables:

2019	Short-term benefits: Cash salary and fees $	Short-term benefits: Cash bonus $	Short-term benefits: Non-monetary $	Post-employment benefits: Super-annuation $	Long-term benefits: Long service leave $	Share-based payments: Equity-settled $	Total $
Non-Executive Directors:							
Andrey Shirben	60,883	-	-	5,784	-	61,048	127,715
Zhongyuan (Ross) Lin	53,272	-	-	5,061	-	61,048	119,381
Samuel Saxton	53,272	-	-	5,061	-	61,048	119,381
Yifat Shirben	53,272	-	-	5,061	-	61,048	119,381
Andrew Coppin*	3,333	-	-	-	-	-	3,333
Jamila Gordon**	47,770	-	-	4,538	-	34,398	86,706
Executive Directors:							
Rodney Bishop	200,000	-	-	19,000	-	241,796	460,796
Other KMP:							
Peter McWilliam	144,011	-	-	13,681	-	239,359	397,051
Simon Carson*	46,323	-	-	4,400	-	10,580	61,303
Henry Kinstlinger	42,000	-	-	-	-	-	42,000
	704,136	-	-	62,586	-	770,325	1,537,047

* Remuneration is from the date of appointment to 30 June 2019
** Remuneration is up to the date of resignation

2018	Short-term benefits: Cash salary and fees $	Short-term benefits: Cash bonus $	Short-term benefits: Non-monetary $	Post-employment benefits: Super-annuation $	Long-term benefits: Long service leave $	Share-based payments: Equity-settled** $	Total $
Non-Executive Directors:							
Andrey Shirben	23,427	-	-	2,226	-	158,293	183,946
Zhongyuan (Ross) Lin	23,427	-	-	2,226	-	158,293	183,946
Samuel Saxton	23,427	-	-	2,226	-	158,293	183,946
Yifat Shirben*	23,427	-	-	2,226	-	12,663	38,316
Jamila Gordon*	23,427	-	-	2,226	-	-	25,653
Executive Directors:							
Rodney Bishop	212,439	37,500	-	23,744	-	239,697	513,380
Other KMP:							
Peter McWilliam	130,137	-	-	12,363	-	121,742	264,242
Simon Carson	-	-	-	-	-	-	-
Henry Kinstlinger***	34,650	-	-	-	-	-	34,650
	494,361	37,500	-	47,237	-	848,981	1,428,079

* Remuneration is from date of appointment to 30 June 2018
** Directors received a share-based payment for unpaid tenure as directors of Jayride Pty Ltd
*** Advisory fees paid to Henry relating to the IPO have been excluded

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

	Fixed remuneration		At risk - STI		At risk - LTI	
Name	2019	2018	2019	2018	2019	2018
Non-Executive Directors:						
Andrey Shirben	52%	14%	-	-	48%	86%
Zhongyuan (Ross) Lin	49%	14%	-	-	51%	86%
Samuel Saxton	49%	14%	-	-	51%	86%
Yifat Shirben	49%	67%	-	-	51%	33%
Andrew Coppin	100%	100%	-	-	-	-
Jamila Gordon	60%	100%	-	-	40%	-
Executive Directors:						
Rodney Bishop	48%	46%	-	7%	52%	47%
Other KMP:						
Peter McWilliam	40%	54%	-	-	60%	46%
Simon Carson	83%	-	-	-	17%	-
Henry Kinstlinger	100%	100%	-	-	-	-

The proportion of the cash bonus paid/payable or forfeited is as follows:

	Cash bonus paid/payable		Cash bonus forfeited	
Name	2019	2018	2019	2018
Executive Directors:				
Rodney Bishop	-	100%	100%	-

The non-executive directors were not paid any bonus during the year ended 30 June 2019 and 30 June 2018.

Service agreements

Remuneration and other terms of employment for KMP are formalised in service agreements. Details of these agreements are as follows:

Executive director

Name:	Rodney Bishop
Title:	Chief Executive Officer and Managing Director
Agreement commenced:	1 October 2017
Details:	Rodney receives the following: 1. $219,000 per annum (including superannuation) effective from 1 October 2017 in fixed annual remuneration, paid monthly in arrears or as otherwise agreed between the parties. 2. Up to $145,000 per annum (including superannuation) as a milestone based annual remuneration.
Termination:	The engagement of Rodney under the Executive Services Agreement may be terminated: 1. By Rodney providing the Company with at least six months' notice; 2. By the Company where he ceases to be a director by virtue of a resolution of shareholders pursuant to section 203D of the Corporations Act 2001 or by force of the Company's Constitution; 3. By the Company where Rodney intentionally commits an act which detrimentally affects the Company, where he materially breaches the agreement, where he wilfully disobeys any direct, lawful, and reasonable direction of the Board and in other similar scenarios; or 4. By the Company upon him ceasing to be a Director.

If the engagement of Rodney is terminated by way of either the Company removing him either by resolution pursuant to section 203D of the Corporations Act 2001 or the Company's Constitution or by Rodney giving the Company six months' notice, Rodney will be entitled to be paid a termination payment of an amount equal to the fixed annual remuneration as liquidated damages calculated in accordance with section 200F(2)(a)(i) of the Corporations Act 2001. Any termination payment is subject to the Corporations Act 2001 and the ASX Listing Rules.

Non-executive directors
The Company has directorial services agreements with each current non-executive director for their services as non-executive directors ('Directorial Services Agreements').

All non-executive directors receive a base salary in cash (per annum) as follows:

	Up to 31 May 2019 $	From 1 June 2019 $
Andrey Shirben*	60,000	120,000
Zhongyuan (Ross) Lin	60,000	40,000
Samuel Saxton	60,000	40,000
Yifat Shirben	60,000	40,000
Andrew Coppin	60,000	40,000
Jamila Gordon	60,000	-

* Andrey Shirben's remuneration from 1 June 2019 includes $80,000 per annum for special responsibility as Chairman of the Strategic Investment Committee.

From 1 June 2019, the non-executive directors are entitled to receive $20,000 per annum in shares subject to shareholder and regulatory approval with the issue price calculated at the monthly VWAP for the month in which the fees were earned and accrued.

In addition, the Company will reimburse the relevant director for all reasonable travel, accommodation and other expenses that they may incur in connection with the performance of their duties as a director.

The non-executive Directorial Services Agreements will terminate when the relevant director ceases to be a director in accordance with the Constitution, such as where the director:
- resigns;
- is removed from office in a general meeting;
- is absent (without the consent of the other directors) from all directors' meetings over any 6-month period;
- becomes mentally incapable; or
- automatically retires and is not eligible for re-election as provided for in the Constitution.

No termination payments will be made to a non-executive director.

Share-based compensation

Issue of shares
Details of shares issued to directors and other KMP as part of compensation which was deemed to be share price at grant date, during the year ended 30 June 2019 are set out below:

Name	Number of shares	Average issue price at grant date	$
Peter McWilliam	469,919	$0.4054	190,498
Simon Carson	26,786	$0.3950	10,580

Shares were issued during the year as part of fixed remuneration and in connection with achieving certain objectives related to net revenue, profitability and cash management.

Options
The terms and conditions of each grant of options over ordinary shares affecting remuneration of directors and other KMP in this financial year or future reporting years are as follows:

Grant date	Vesting	Expiry date	Exercise price	Fair value per option at grant date
1/09/2018	2/48 of total Class A Options will vest immediately on 1/09/2018 and 46/48 of the total Class A Options will vest at rate of 1/48 every month until 30/06/2022.	30/06/2023	$0.5334	$0.2220

Options granted carried no dividend or voting rights.

Details of options over ordinary shares granted, vested and lapsed for directors and other KMP as part of compensation during the year ended 30 June 2019 are set out below:

Name	Number of options granted	Value of options granted $	Value of options vested $	Number of options lapsed	Value of options lapsed $
Peter McWilliam	388,889	86,333	48,859	-	-

Performance options
During the period ended 30 June 2019, the Company granted 3,600,000 performance options to the directors.

The terms and conditions of each grant of performance options over ordinary shares affecting remuneration of directors in this financial year or future reporting years are as follows:

Performance option class	Vesting condition	Vesting condition
Class A	Divided into 10 tranches, paid after each quarter, and vesting continuously until 1/01/2021, expiry date 30/06/2021.	1,800,000
Class B	The share price being at or above $0.55 per share at any time on or before the expiry date, 31/12/2021	300,000
Class C	The share price being at or above $0.60 per share at any time on or before the expiry date, 31/12/2021	300,000
Class D	The share price being at or above $0.65 per share at any time on or before the expiry date, 31/12/2021	300,000
Class E	The share price being at or above $0.80 per share at any time on or before the expiry date, 31/12/2021	300,000
Class F	The share price being at or above $0.95 per share at any time on or before the expiry date, 31/12/2021	300,000
Class G	The share price being at or above $1.10 per share at any time on or before the expiry date, 31/12/2021	300,000

Performance options granted carry no dividend or voting rights.

Details of performance options over ordinary shares granted, vested and lapsed for directors and other KMP as part of compensation during the year ended 30 June 2019 are set out below:

Name	Performance option class	Number of performance options granted	Value of performance options granted ($)	Number of performance options vested	Value of performance options vested ($)	Number of performance options lapsed	Value of performance options lapsed ($)
Rodney Bishop	Class B to G	1,800,000	354,612	-	-	-	-
Rodney Bishop	Class A	300,000	68,796	180,000	41,278	-	-
Andrey Shirben	Class A	300,000	68,796	180,000	41,278	-	-
Zhongyuan(Ross) Lin	Class A	300,000	68,796	180,000	41,278	-	-
Samuel Saxton	Class A	300,000	68,796	180,000	41,278	-	-
Jamila Gordon	Class A	300,000	68,796	150,000	34,398	150,000	34,398
Yifat Shirben	Class A	300,000	68,796	180,000	41,278	-	-
		3,600,000	767,388	1,050,000	240,788	150,000	34,398

Additional information
The earnings of the Company for the two years to 30 June 2019 are summarised below:

	2019 $	2018 $
Revenue	3,822,364	2,451,060
Loss after income tax	(8,201,109)	(5,762,692)

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

	2019	2018
Share price at financial year end ($)	0.29	0.45
Basic loss per share (cents per share)	(10.48)	(8.41)
Diluted loss per share (cents per share)	(10.48)	(8.41)

Additional disclosures relating to KMP

Shareholding
The number of shares in the Company held during the financial year by each director and other members of KMP of the Company, including their personally related parties (unless otherwise stated), is set out below:

Ordinary shares	Balance at the start of the year	Received as part of remuneration	Additions other (b)	Disposals/ other (c)	Balance at the end of the year
Andrey Shirben (a)	11,150,216	-	581,395	-	11,731,611
Rodney Bishop	10,888,512	-	-	-	10,888,512
Zhongyuan (Ross) Lin	10,295,048	-	-	(250,000)	10,045,048
Samuel Saxton	754,644	-	-	-	754,644
Yifat Shirben (a)	25,416	-	-	-	25,416
Andrew Coppin (b)	-	-	73,340	-	73,340
Jamila Gordon (c)	34,900	-	-	(34,900)	-
Peter McWilliam	468,545	272,117	-	(42,716)	697,946
Simon Carson	-	26,786	25,000	-	51,786
Henry Kinstlinger	116,000	-	-	-	116,000
	33,733,281	298,903	679,735	(327,616)	34,384,303

(a) Amounts disclosed are for personal holding only and exclude those held by their spouse, which are disclosed in the table separately under the spouse name.
(b) The entire amount disclosed is held indirectly. Other includes 20,000 held at the date of appointment.
(c) Other discloses the shares held at the date of resignation.

Option holding
The number of options over ordinary shares in the Company held during the financial year by each director and other members of KMP of the Company (unless otherwise stated), is set out below:

	Balance at the start of the year	Granted other (a)	Exercised	Expired/ forfeited/ other	Balance at the end of the year
Options over ordinary shares					
Andrey Shirben	2,000,000	-	-	-	2,000,000
Samuel Saxton	22,827	4,298	-	-	27,125
Andrew Coppin (a)	-	10,000	-	-	10,000
Peter McWilliam	-	388,889	-	-	388,889
	2,022,827	403,187	-	-	2,426,014

(a) Held at the date of appointment.

The above table contain options issued under different terms, including options issued to investors as well as options issued to directors and key management team members as share based remuneration.

Performance options holding
The number of performance options over ordinary shares in the Company held during the financial year by each director and other members of KMP of the Company, including their personally related parties, is set out below:

	Balance at the start of the year	Granted	Expired/ forfeited/ other (b)	Balance at the end of the year
Performance options over ordinary shares				
Andrey Shirben (a)	-	300,000	-	300,000
Rodney Bishop	-	2,100,000	-	2,100,000
Zhongyuan (Ross) Lin	-	300,000	-	300,000
Samuel Saxton	-	300,000	-	300,000
Jamila Gordon (b)	-	300,000	(150,000)	150,000
Yifat Shirben (a)	-	300,000	-	300,000
	-	3,600,000	(150,000)	3,450,000

(a) Amounts disclosed are for personal holding only and exclude those held by their spouse, which are disclosed in the table separately under the spouse name.
(b) Other includes lapsed 150,000 at the date of resignation.

	Vested	Unvested	Balance at the end of the year
Performance options over ordinary shares			
Andrey Shirben	180,000	120,000	300,000
Rodney Bishop	180,000	1,920,000	2,100,000
Zhongyuan (Ross) Lin	180,000	120,000	300,000
Samuel Saxton	180,000	120,000	300,000
Jamila Gordon	150,000	-	150,000
Yifat Shirben	180,000	120,000	300,000
	1,050,000	2,400,000	3,450,000

Loans to KMP and their related parties
The following non-recourse loans remain in place for KMP. The non-recourse loans were established on 21 December 2017 to fund the exercise of options not meeting ASX listing requirements. The non-recourse loans must be repaid on the earlier of the 3rd anniversary of the loan or the date that any of the connected shares are sold.

Name	2018 $	2019 $
Andrey Shirben	37,775	37,775
Rodney Bishop	61,679	61,679
Zhongyuan (Ross) Lin	37,775	37,775
Sam Saxton	37,775	37,775
Yifat Shirben	3,022	3,022
Peter McWilliam	42,824	42,824

This concludes the remuneration report, which has been audited.

Shares under option

Unissued ordinary shares of the Company under option at the date of this report are as follows:

Grant date	Expiry date	Exercise price	Number under option
18 December 2017	31 March 2020	$0.5530	16,334,738
31 August 2018	30 June 2023	$0.5330	2,140,465
			18,475,203

No person entitled to exercise the options had or has any right by virtue of the option to participate in any share issue of the Company or of any other body corporate.

Shares under performance options

Unissued ordinary shares of the Company under performance options at the date of this report are as follows:

Grant date	Expiry date	Exercise price	Number under options
28 November 2018	30 June 2021	$0.5000	1,650,000
28 November 2018	31 December 2021	$0.5500	300,000
28 November 2018	31 December 2021	$0.6000	300,000
28 November 2018	31 December 2021	$0.6500	300,000
28 November 2018	31 December 2021	$0.8000	300,000
28 November 2018	31 December 2021	$0.9500	300,000
28 November 2018	31 December 2021	$1.1000	300,000
			3,450,000

No person entitled to exercise the performance options had or has any right by virtue of the performance option to participate in any share issue of the Company or of any other body corporate.

Shares issued on the exercise of options

There were no ordinary shares of the Company issued on the exercise of options during the year ended 30 June 2019 and up to the date of this report.

Shares issued on the exercise of performance options

There were no ordinary shares of the Company issued on the exercise of performance options during the year ended 30 June 2019 and up to the date of this report.

Indemnity and insurance of officers

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

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

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

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

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

Non-audit services
Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in note 24 to the financial statements.

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

The directors are of the opinion that the services as disclosed in note 24 to the financial statements do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the following reasons:
- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as advocate for the Company or jointly sharing economic risks and rewards.

Officers of the Company who are former partners of RSM Australia Partners
There are no officers of the Company who are former partners of RSM Australia Partners.

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

Auditor
RSM Australia Partners continues in office in accordance with section 327 of the Corporations Act 2001.

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

On behalf of the directors

Rodney Bishop	Andrey Shirben
Managing Director	Chairman

30 September 2019
Sydney

RSM Australia Partners

Level 21, 55 Collins Street Melbourne VIC 3000
PO Box 248 Collins Street West VIC 8007

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F +61 (0) 3 9286 8199

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Jayride Group Limited for the year ended 30 June 2019, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

RSM AUSTRALIA PARTNERS

J S CROALL
Partner

Dated: 30 September 2019
Melbourne, Victoria

Jayride Group Limited
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2019

	Note	2019 $	2018 $
Revenue			
Net commission and fees booked	5,6	3,280,500	1,913,544
Interest revenue calculated using the effective interest method		9,801	39,524
Other income	7	532,063	497,992
Total revenue		3,822,364	2,451,060
Operational costs			
Advertising and marketing costs		(2,241,473)	(1,413,195)
Employee and contractor costs		(1,634,782)	(989,557)
Other operating costs		(1,541,848)	(943,573)
Total operational costs		(5,418,103)	(3,346,325)
Growth and corporate costs			
Engineering costs not capitalised	8	(359,901)	(239,040)
Employee and contractor costs		(2,027,210)	(1,924,840)
Share-based payments expense	31	(1,901,417)	(1,162,198)
Other growth costs		(690,800)	(570,348)
Corporate costs		(811,763)	(432,046)
Total growth and corporate costs		(5,791,091)	(4,328,472)
Non-operating costs			
Depreciation and amortisation	9	(680,996)	(515,021)
Currency movements		(21,238)	(18,139)
Finance costs	9	(112,045)	(5,795)
Total non-operating costs		(814,279)	(538,955)
Loss before income tax expense		(8,201,109)	(5,762,692)
Income tax expense	10	-	-
Loss after income tax expense for the year attributable to the owners of Jayride Group Limited		(8,201,109)	(5,762,692)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year attributable to the owners of Jayride Group Limited		(8,201,109)	(5,762,692)
		Cents	Cents
Basic loss per share	30	(10.48)	(8.41)
Diluted loss per share	30	(10.48)	(8.41)

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

	Note	2019 $	2018 $
Assets			
Current assets			
Cash and cash equivalents	11	1,446,031	3,560,216
Trade and other receivables	12	877,842	628,080
Goods and services tax receivable		46,775	31,877
Research and development receivable		958,871	853,544
Prepayments		46,934	74,956
Total current assets		3,376,453	5,148,673
Non-current assets			
Deposits and bank guarantees		323,890	323,890
Plant and equipment	13	203,356	211,785
Capitalised technology costs	14	2,415,348	2,201,726
Total non-current assets		2,942,594	2,737,401
Total assets		6,319,047	7,886,074
Liabilities			
Current liabilities			
Trade and other payables	15	1,874,184	1,092,134
Contract liabilities		38,143	-
Employee benefits	16	175,623	140,278
Future transport payments		849,852	498,834
Total current liabilities		2,937,802	1,731,246
Non-current liabilities			
Borrowings	17	1,572,914	-
Employee benefits		52,890	44,530
Total non-current liabilities		1,625,804	44,530
Total liabilities		4,563,606	1,775,776
Net assets		1,755,441	6,110,298
Equity			
Issued capital	18	18,360,858	15,902,025
Reserves	19	3,146,680	1,724,634
Accumulated losses		(19,752,097)	(11,516,361)
Total equity		1,755,441	6,110,298

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

	Issued capital $	Reserves $	Accumulated losses $	Total equity $
Balance at 1 July 2017	5,694,278	760,948	(5,753,669)	701,557
Loss after income tax expense for the year	-	-	(5,762,692)	(5,762,692)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	(5,762,692)	(5,762,692)
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction costs (note 18)	10,207,747	-	-	10,207,747
Share-based payments (note 31)	-	1,132,086	-	1,132,086
Convertible notes issued	-	(168,400)	-	(168,400)
Balance at 30 June 2018	15,902,025	1,724,634	(11,516,361)	6,110,298

	Issued capital $	Reserves $	Accumulated losses $	Total equity $
Balance at 1 July 2018	15,902,025	1,724,634	(11,516,361)	6,110,298
Adjustment for change in accounting policy (note 4)	-	-	(34,627)	(34,627)
Balance at 1 July 2018 - restated	15,902,025	1,724,634	(11,550,988)	6,075,671
Loss after income tax expense for the year	-	-	(8,201,109)	(8,201,109)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	(8,201,109)	(8,201,109)
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction costs (note 18)	1,612,375	-	-	1,612,375
Share-based payments (shares) (note 31)	846,458	281,887	-	1,128,345
Share-based payments (options) (note 31)	-	773,073	-	773,073
Share-based payments (warrants) (note 31)	-	367,086	-	367,086
Balance at 30 June 2019	18,360,858	3,146,680	(19,752,097)	1,755,441

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

	Note	2019 $	2018 $
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		3,324,265	1,991,342
Payments to suppliers and employees (inclusive of GST)		(8,461,390)	(6,490,066)
Grants received		913,803	485,424
Interest received		10,654	39,524
Interest and other finance costs paid		(18,101)	(5,795)
Net cash used in operating activities	28	(4,230,769)	(3,979,571)
Cash flows from investing activities			
Payments for plant and equipment	13	(59,629)	(191,713)
Payments for intangibles	14	(1,321,021)	(1,076,312)
Payments for security deposits		-	(286,360)
Proceeds from disposal of property, plant and equipment		6,541	-
Net cash used in investing activities		(1,374,109)	(1,554,385)
Cash flows from financing activities			
Proceeds from issue of shares	18	1,707,975	10,533,104
Share issue transaction costs		(95,600)	(355,470)
Proceeds from borrowings		2,000,000	-
Loans to related parties		-	(1,828,513)
Transaction costs related to borrowings		(95,440)	-
Net cash from financing activities		3,516,935	8,349,121
Net (decrease)/increase in cash and cash equivalents		(2,087,943)	2,815,165
Cash and cash equivalents at the beginning of the financial year		3,560,216	767,190
Effects of exchange rate changes on cash and cash equivalents		(26,242)	(22,139)
Cash and cash equivalents at the end of the financial year	11	1,446,031	3,560,216

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

Note 1. General information

The financial statements cover Jayride Group Limited as an individual entity. The financial statements are presented in Australian dollars, which is Jayride Group Limited's functional and presentation currency.

Jayride Group Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Suite 1101
Level 11
55 Clarence Street
Sydney NSW 2000

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

The financial statements were authorised for issue, in accordance with a resolution of directors, on 30 September 2019. The directors have the power to amend and reissue the financial statements.

Note 2. Significant accounting policies

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

New or amended Accounting Standards and Interpretations adopted

The Company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. Refer to note 4 for further details of the impact of the material standards.

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

Going concern

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

As disclosed in the financial statements, the Company incurred a loss of $8,201,109 and had net cash outflows from operating activities of $4,230,769 for the year ended 30 June 2019.

These factors indicate a material uncertainty which may cast significant doubt as to whether the Company will continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

The directors believe that there are reasonable grounds to believe that the Company will be able to continue as a going concern, after consideration of the following factors:

- the Company has cash and cash equivalents on hand as at 30 June 2019 amounting to $1,446,031 (2018: $3,560,216) and received its research and development rebate of $958,371 in August 2019;
- the Company has an unused finance facility of $1,000,000 (2018: $nil) at its disposal (refer to note 17 for further details);
- the directors are confident that the Company has the ability to raise further capital to accelerate growth if required;
- Management forecast that operating costs and cash outflows are expected to be significantly lower in the next 12-months with increased revenue growth; and
- Management is able to decrease discretionary spend on technology and other growth assets without affecting the operations of the Company.

Accordingly, the directors believe that the company will be able to continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report.

The financial report does not include any adjustments relating to the amounts or classification of recorded assets or liabilities that might be necessary if the company does not continue as a going concern.

Note 2. Significant accounting policies (continued)

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

Historical cost convention
The financial statements have been prepared under the historical cost convention.

Critical accounting estimates
The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

Foreign currency translation

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

Revenue recognition
The Company recognises revenue as follows:

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

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

Net commissions and fees booked
Commissions and fees booked income is recognised when a booking is confirmed to the transport provider.

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

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

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

Note 2. Significant accounting policies (continued)

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

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

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

Impairment of non-financial assets

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

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

Contract liabilities

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

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

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

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

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

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

Comparative information

Comparatives in the statement of profit or loss and other comprehensive income have been aligned to current year disclosure.

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Company for the annual reporting period ended 30 June 2019. The Company's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the Company, are set out below.

Note 2. Significant accounting policies (continued)

AASB 16 'Leases'
This standard is applicable to annual reporting periods beginning on or after 1 January 2019. The standard replaces AASB 117 'Leases' and for lessees will eliminate the classifications of operating leases and finance leases. Subject to exceptions, a 'right-of-use' asset will be capitalised in the statement of financial position, measured at the present value of the unavoidable future lease payments to be made over the lease term. The exceptions relate to short-term leases of 12 months or less and leases of low-value assets (such as personal computers and small office furniture) where an accounting policy choice exists whereby either a 'right-of-use' asset is recognised or lease payments are expensed to profit or loss as incurred. A liability corresponding to the capitalised lease will also be recognised, adjusted for lease prepayments, lease incentives received, initial direct costs incurred and an estimate of any future restoration, removal or dismantling costs. Straight-line operating lease expense recognition will be replaced with a depreciation charge for the leased asset (included in operating costs) and an interest expense on the recognised lease liability (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. However, EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) results will be improved as the operating expense is replaced by interest expense and depreciation in profit or loss under AASB 16. For classification within the statement of cash flows, the lease payments will be separated into both a principal (financing activities) and interest (either operating or financing activities) component. For lessor accounting, the standard does not substantially change how a lessor accounts for leases. The Company will adopt this standard from 1 July and its impact on adoption is expected to result in total assets increasing by $804,244, total liabilities increasing by $831,039 and net assets decreasing by $26,795.

IASB revised Conceptual Framework for Financial Reporting
A revised Conceptual Framework for Financial Reporting has been issued by the AASB and is applicable for annual reporting periods beginning on or after 1 January 2020. This release impacts for-profit private sector entities that have public accountability that are required by legislation to comply with Australian Accounting Standards and other for-profit entities that voluntarily elect to apply the Conceptual Framework. Phase 2 of the framework is yet to be released which will impact for-profit private sector entities. The application of new definition and recognition criteria as well as new guidance on measurement will result in amendments to several accounting standards. The issue of AASB 2019-1 Amendments to Australian Accounting Standards – References to the Conceptual Framework, also applicable from 1 January 2020, includes such amendments. Where the Company has relied on the conceptual framework in determining its accounting policies for transactions, events or conditions that are not otherwise dealt with under Australian Accounting Standards, the Company may need to revisit such policies.

Note 3. Critical accounting judgements, estimates and assumptions

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

Share-based payment transactions
The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

Allowance for expected credit losses
The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates.

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

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

Note 4. Adoption of new accounting standards

Adoption of AASB 9 'Financial Instruments'
The Company has adopted AASB 9 from 1 July 2018, using the transitional rules not to restate comparatives. The standard introduced new classification and measurement models for financial assets. A financial asset shall be measured at amortised cost if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows which arise on specified dates and that are solely principal and interest. A debt investment shall be measured at fair value through other comprehensive income if it is held within a business model whose objective is to both hold assets in order to collect contractual cash flows which arise on specified dates that are solely principal and interest as well as selling the asset on the basis of its fair value. All other financial assets are classified and measured at fair value through profit or loss unless the entity makes an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading or contingent consideration recognised in a business combination) in other comprehensive income ('OCI'). Despite these requirements, a financial asset may be irrevocably designated as measured at fair value through profit or loss to reduce the effect of, or eliminate, an accounting mismatch. For financial liabilities designated at fair value through profit or loss, the standard requires the portion of the change in fair value that relates to the entity's own credit risk to be presented in OCI (unless it would create an accounting mismatch). New simpler hedge accounting requirements are intended to more closely align the accounting treatment with the risk management activities of the entity. New impairment requirements use an 'expected credit loss' ('ECL') model to recognise an allowance. Impairment is measured using a 12-month ECL method unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime ECL method is adopted. For receivables, a simplified approach to measuring expected credit losses using a lifetime expected loss allowance is available.

'Interest revenue' is no longer included in 'Revenue' note and is now shown separately on the face of the statement of profit or loss and other comprehensive income.

There were no material changes on adoption of this standard.

Adoption of AASB 15 'Revenue from Contracts with Customers'
The Company has adopted AASB 15 from 1 July 2018, using the modified retrospective method of adoption, not to restate comparatives. The standard provides a single comprehensive model for revenue recognition. The core principle of the standard is that an entity shall recognise revenue to depict the transfer of promised goods or services to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard introduced a new contract-based revenue recognition model with a measurement approach that is based on an allocation of the transaction price. This is described further in the accounting policies below. Credit risk is presented separately as an expense rather than adjusted against revenue. Contracts with customers are presented in an entity's statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the entity's performance and the customer's payment. Customer acquisition costs and costs to fulfil a contract can, subject to certain criteria, be capitalised as an asset and amortised over the contract period.

The adoption of this standard resulted in a transitional date adjustment, 1 July 2018, to opening accumulated losses of $34,627, with a corresponding increase in contract liabilities, in respect of revenue received but subsequently refunded due to the passenger not using the booking made.

Reclassification
To align with current period disclosure, the following reclassifications were made with no net affect to profit or loss:
- refunded commission and fees booked' has been reclassified to 'commission and fees booked';
- interest revenue previously classified as 'other revenue' is now shown separately on the face of profit or loss; and
- impairment of receivables previously classified as 'other operating costs' is now shown separately on the face of profit or loss.

Note 5. Operating segments

Identification of reportable operating segments
The Company's operating segments are based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources.

The Directors are of the opinion that there is one reportable segment in the Company as the CODM reviews results, assesses performance and allocates resources at a Company level.

As the information reported to the CODM is the results of the Company as a whole, the segment results are shown throughout these financial statements and are not duplicated here.

Major customers
During the year ended 30 June 2019, 17.9% (2018: 11.18%) of the Company's external revenue was derived from sales to one customer.

Geographical information

	Sales to external customers		Geographical non-current assets	
	2019 $	2018 $	2019 $	2018 $
Australia	1,089,790	751,750	2,942,594	2,737,401
New Zealand	122,444	101,273	-	-
United Kingdom	134,026	99,622	-	-
United States of America	1,519,098	935,474	-	-
Other countries*	415,142	25,425	-	-
	3,280,500	1,913,544	2,942,594	2,737,401

* Other countries include 76 remaining countries.

The sales to external customers for the year ended 30 June 2018 has been restated to reflect the reclassification of 'refunded commission and fees booked' to 'commission and fees booked'. Refer to note 4 for further information.

The geographical non-current assets above are exclusive of, where applicable, financial instruments, deferred tax assets and post-employment benefits assets.

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

Note 6. Net commission and fees booked

	2019 $	2018 $
Revenue from contracts with customers		
Net commission and fees booked	3,280,500	1,913,544

Disaggregation of revenue
For disaggregation of revenue from contracts with customers refer to note 5.

Timing of revenue recognition
Revenue from contracts with customers is recognised at a point in time.

Note 7. Other income

	2019 $	2018 $
Research and development tax incentive	530,105	497,992
Others	1,958	-
	532,063	497,992

Accounting policy for research and development tax incentive
Government grants: Grants that compensate the Company for expenditures incurred are recognised in profit or loss on a systematic basis in the periods in which the expenditures are recognised. R&D tax offset receivables will be recognised in profit before tax over the periods necessary to match the benefit of the credit with the costs for which it is intended to compensate. Such periods will depend on whether the R&D costs are capitalised or expensed as incurred.

Note 8. Engineering costs not capitalised

	2019 $	2018 $
Engineering costs		
Total technology costs	1,680,922	1,315,353
Less: capitalised technology costs (note 14)	(1,321,021)	(1,076,313)
Engineering costs not capitalised	359,901	239,040

Note 9. Expenses

	2019 $	2018 $
Loss before income tax includes the following specific expenses:		
Depreciation		
Fixtures and fittings	22,232	9,608
Computer equipment	39,638	35,008
Office equipment	751	693
Total depreciation	62,621	45,309
Amortisation		
Capitalised technology costs	618,375	469,712
Total depreciation and amortisation	680,996	515,021
Finance costs		
Interest and finance charges paid/payable	71,694	5,795
Transaction fees	40,351	-
Finance costs expensed	112,045	5,795
Rental expense relating to operating leases		
Minimum lease payments	446,527	281,216
Superannuation expense		
Defined contribution superannuation expense	333,032	289,158

Note 9. Expenses (continued)

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

Note 10. Income tax expense

	2019 $	2018 $
Numerical reconciliation of income tax expense and tax at the statutory rate		
Loss before income tax expense	(8,201,109)	(5,762,692)
Tax at the statutory tax rate of 27.5%	(2,255,305)	(1,584,740)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Depreciation and amortisation	179,804	139,496
Entertainment expenses	1,868	3,844
Share-based payments	522,890	318,806
Employee benefits	12,019	34,381
Provision for bad debts	(10,442)	11,782
Share issue costs	26,269	46,981
Prepaid expenses	7,164	(17,810)
Foreign exchange losses	(2,485)	(451)
Research and development	136,567	26,464
Sundry items	41,740	(69,419)
	(1,339,911)	(1,090,666)
Current year tax losses not recognised	1,339,911	1,090,666
Income tax expense	-	-

	2019 $	2018 $
Tax losses not recognised		
Unused tax losses for which no deferred tax asset has been recognised	12,603,477	7,731,072
Potential tax benefit @ 27.5%	3,465,956	2,126,045

The above potential tax benefit for tax losses has not been recognised in the statement of financial position. These tax losses can only be utilised in the future if the continuity of ownership test is passed, or failing that, the same business test is passed.

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

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

Note 10. Income tax expense (continued)

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

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

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

Note 11. Current assets - cash and cash equivalents

	2019 $	2018 $
Cash at bank and on hand	1,446,031	2,160,216
Cash on deposit	-	1,400,000
	1,446,031	3,560,216

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

Note 12. Current assets - trade and other receivables

	2019 $	2018 $
Trade receivables	897,800	686,009
Less: Allowance for expected credit losses (2018: Provision for impairment)	(19,958)	(57,929)
	877,842	628,080

Allowance for expected credit losses
The Company has recognised a loss of $42,723 (2018: $21,365) in profit or loss in respect of impairment of receivables for the year ended 30 June 2019.

The ageing of the receivables and allowance for expected credit losses provided for above are as follows:

	Expected credit loss rate 2019 %	Carrying amount 2019 $	Allowance for expected credit losses 2019 $
Not overdue	-	369,133	-
Not overdue	1.265%	417,890	5,286
Less than 3 months overdue	3.410%	56,384	1,923
3 to 6 months overdue	6.980%	26,889	1,877
over 6 months overdue	39.530%	27,504	10,872
		897,800	19,958

Note 12. Current assets - trade and other receivables (continued)

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

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

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

Note 13. Non-current assets - plant and equipment

	2019 $	2018 $
Fixtures and fittings - at cost	173,161	129,036
Less: Accumulated depreciation	(33,435)	(11,203)
	139,726	117,833
Computer equipment - at cost	146,818	146,301
Less: Accumulated depreciation	(84,358)	(54,285)
	62,460	92,016
Office equipment - at cost	2,631	2,646
Less: Accumulated depreciation	(1,461)	(710)
	1,170	1,936
	203,356	211,785

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

	Fixtures and fittings $	Computer equipment $	Office equipment $	Total $
Balance at 1 July 2017	15,888	49,345	148	65,381
Additions	111,553	77,679	2,481	191,713
Depreciation expense	(9,608)	(35,008)	(693)	(45,309)
Balance at 30 June 2018	117,833	92,016	1,936	211,785
Additions	44,125	15,504	-	59,629
Disposals	-	(5,422)	(15)	(5,437)
Depreciation expense	(22,232)	(39,638)	(751)	(62,621)
Balance at 30 June 2019	139,726	62,460	1,170	203,356

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

Note 13. Non-current assets - plant and equipment (continued)

Depreciation is calculated on a diminishing value basis to write off the net cost of each item of plant and equipment over their expected useful lives as follows:

Fixtures and fittings	4 - 10 years
Computer equipment	3 - 7 years
Office equipment	4 - 10 years

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

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

Note 14. Non-current assets - capitalised technology costs

	2019 $	2018 $
Capitalised technology costs	3,503,434	2,671,438
Less: Accumulated amortisation	(1,088,086)	(469,712)
	2,415,348	2,201,726

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

	Capitalised technology costs $
Balance at 1 July 2017	2,080,461
Additions	1,076,313
Research and development tax offset	(485,336)
Amortisation expense	(469,712)
Balance at 30 June 2018	2,201,726
Additions	1,321,021
Research and development tax offset	(489,024)
Amortisation expense	(618,375)
Balance at 30 June 2019	2,415,348

Accounting policy for capitalised technology costs
Capitalised technology costs are considered and carried at cost less accumulated amortisation and impairment losses. Amortisation commenced when the asset is available for use, that is, when it is in the location and condition necessary for it to be capable of operating in the manner intended by management, which is when it has reached commercialisation stage. Amortisation is on a straight-line basis over estimated useful life of 5 (2018: 5) years.

Note 15. Current liabilities - trade and other payables

	2019 $	2018 $
Trade payables	1,289,951	926,054
Other payables	584,233	166,080
	1,874,184	1,092,134

Refer to note 21 for further information on financial instruments.

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

Note 16. Current liabilities - employee benefits

	2019 $	2018 $
Employee benefits	175,623	140,278

Accounting policy for employee benefits

Short-term employee benefits
Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Defined contribution superannuation expense
Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Note 17. Non-current liabilities - borrowings

	2019 $	2018 $
Financing facility	1,572,914	-

The break down of the financing facility is set below:

	2019 $	2018 $
Loan received	2,000,000	-
Fair value of warrants issued treated as arrangement fee	(367,086)	-
Transaction fee	(60,000)	-
	1,572,914	-

Refer to note 21 for further information on financial instruments.

Note 17. Non-current liabilities - borrowings (continued)

The financing facility represents borrowings from Pure Asset Management Pty Ltd as per terms below:

Amount	$3,000,000 in two tranches, being one tranche of $2,000,000 ('Initial Tranche') and a second optional tranche of $1,000,000 (between 1 January 2020 and 30 June 2020) ('Second Tranche').
Term	36 months from the date of drawdown.
Interest rate	10.50% per annum
Warrants issued	The warrants associated with the $2,000,000 Initial Tranche will have an exercise price which is the lower of a) $0.553; or b) a 25% premium to the raise price of any future capital raise requiring extraordinary general meeting ('EGM') approval to increase shares on issue by greater than 15%. The number of Initial Tranche warrants issued at the time of drawdown of the Initial Tranche were 3,616,637 warrants, being $2,000,000 divided by the exercise price of $0.553. In the instance that the Company elects to draw down the Second Tranche, the warrants associated with the $1,000,000 Second Tranche will have an exercise price which is the lower of: a) 25% premium to the 30-day VWAP preceding drawdown of the Second Tranche; or b) a 25% premium to the raise price of any future capital raise requiring EGM approval to increase shares on issue by greater than 15%. The number of Second Tranche warrants to be issued will be $1,000,000 divided by the exercise price.
Accounting Treatment	Under AASB 2 the fair value of the warrants is considered part of the transaction costs of obtaining the loan facility. The fair value of the warrants is deducted from the fair value of the loan and recognised as a share based payment reserve.
Fair Value of options	The fair value of the warrants is $367,086, which was calculated using a binomial valuation. Each warrant has a fair value of $0.101.
Right to compel conversion	The Company may compel conversion of the Initial Tranche of 3,616,637 Warrants if the VWAP exceeds $0.75 over a 30 day period.
Post conversion escrow	Ordinary shares resulting from the exercise of warrants will be escrowed for a period of 6 months post conversion.
Loan early redemption	The Company may redeem the loan early subject to standard commercial terms.

Financing arrangements

	2019 $	2018 $
Total facilities		
Borrowings	3,000,000	-
Used at the reporting date		
Borrowings	2,000,000	-
Unused at the reporting date		
Borrowings	1,000,000	-

Note 18. Equity - issued capital

	2019 Shares	2018 Shares	2019 $	2018 $
Ordinary shares - fully paid	81,682,411	75,575,283	18,360,858	15,902,025
Ordinary shares - held in Employees' Trust	2,645,960	-	-	-
	84,328,371	75,575,283	18,360,858	15,902,025

Movements in ordinary share capital

Details	Date	Shares	Issue price	$
Balance	1 July 2017	44,870,772		5,694,278
Issue of shares to new investors	18 August 2017	4,463,292	$0.3200	1,408,796
Issue of shares to new investors	18 August 2017	18,119,904	$0.4200	7,624,309
Issue of shares to employees on exercise of employee options	18 December 2017	4,798,512	$0.0000	-
Issue of shares to promoters	21 December 2017	247,520	$0.5000	123,760
Issue of shares under Initial Public Offer	17 January 2018	3,000,000	$0.5000	1,500,000
Issue of shares to employees under Employee Share Scheme ('ESS')	28 May 2018	75,283	$0.4000	30,113
Share issue costs		-	$0.0000	(479,231)
Balance	30 June 2018	75,575,283		15,902,025
Issue of shares to employees	31 August 2018	86,628	$0.4450	38,549
Issue of shares to employees under ESS	29 November 2018	478,683	$0.4800	229,769
Issue of shares	3 January 2019	3,972,035	$0.4300	1,707,975
Issue of shares to employees	24 January 2019	215,742	$0.4400	94,926
Issue of shares to employees under ESS	1 March 2019	767,851	$0.4300	330,159
Issue of shares to employees under ESS	17 June 2019	301,551	$0.2700	80,644
Issue of shares to employees under ESS	20 June 2019	284,638	$0.2500	72,411
Share issue costs		-	$0.0000	(95,600)
Balance	30 June 2019	81,682,411		18,360,858

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

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

Ordinary shares held in Employees' Trust
During the year the Jayride Employee Share Trust ('Trust') was established to streamline share based compensation for employees. On 1 March 2019, 3,232,149 fully paid ordinary shares in the Company were issued to Royal Exchange Nominees Pty Ltd, as trustee of the Jayride Employee Share Trust. During the year the Trust issued 586,189 shares to employee as part of their remuneration package. The Trust controls 2,645,960 shares set aside for future share-based remuneration.

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

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

Note 18. Equity - issued capital (continued)

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

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

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

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

Accounting policy for 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.

Note 19. Equity - reserves

	2019 $	2018 $
Share-based payments reserve	3,146,680	1,724,634

Share-based payments reserve
The reserve is used to recognise the value of equity benefits provided to employees and directors as part of their remuneration, and other parties as part of their compensation for services.

	Share-based payment $	Convertible notes $	Total $
Balance at 1 July 2017	592,548	168,400	760,948
Share-based payments	1,132,086	-	1,132,086
Convertible notes issued	-	(168,400)	(168,400)
Balance at 30 June 2018	1,724,634	-	1,724,634
Share-based payments (shares)	281,887	-	281,887
Share-based payments (options)	773,073	-	773,073
Share-based payments (warrants)	367,086	-	367,086
Balance at 30 June 2019	3,146,680	-	3,146,680

Note 20. Equity - dividends

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

Note 21. Financial instruments

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

Note 21. Financial instruments (continued)

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

Market risk

Foreign currency risk
The Company undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations.

Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting.

The Company is not exposed to any significant foreign currency risk.

Price risk
The Company is not exposed to any significant price risk.

Interest rate risk
The Company's main interest rate risk arises from long-term borrowings. Borrowings obtained at variable rates expose the Company to interest rate risk. Borrowings obtained at fixed rates expose the Company to fair value interest rate risk. At the reporting date the Company had no variable rate borrowings.

The Company is not exposed to any significant interest rate risk.

Credit risk
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits. The Company obtains guarantees where appropriate to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The Company does not hold any collateral.

The Company has adopted a lifetime expected loss allowance in estimating expected credit losses to trade receivables through the use of a provisions matrix using fixed rates of credit loss provisioning. These provisions are considered representative across all customers of the Company based on recent sales experience, historical collection rates and forward-looking information that is available.

Generally, trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than 1 year.

The Company is not exposed to any significant credit risk.

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

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

Note 21. Financial instruments (continued)

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

2019	Weighted average interest rate %	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives						
Non-interest bearing						
Trade payables	-	1,289,951	-	-	-	1,289,951
Other payables	-	584,233	-	-	-	584,233
Interest-bearing - fixed rate						
Financing facility*	17.61%	52,356	210,000	2,210,000	-	2,472,356
Total non-derivatives		1,926,540	210,000	2,210,000	-	4,346,540

* The weighted average interest rate includes a fixed 10.5% interest only coupon as well as the fair value of the warrants and other transaction costs.

2018	Weighted average interest rate %	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives						
Non-interest bearing						
Trade payables	-	926,054	-	-	-	926,054
Other payables	-	166,080	-	-	-	166,080
Total non-derivatives		1,092,134	-	-	-	1,092,134

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

Note 22. Fair value measurement

The carrying amounts of trade and other receivables and trade and other payables are assumed to approximate their fair values due to their short-term nature.

The fair value of financial liabilities is estimated by discounting the remaining contractual maturities at the current market interest rate that is available for similar financial liabilities.

Note 23. Key management personnel disclosures

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

	2019 $	2018 $
Short-term employee benefits	704,136	531,861
Post-employment benefits	62,586	47,237
Share-based payments	770,325	848,981
	1,537,047	1,428,079

Note 24. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by RSM Australia Partners, the auditor of the Company:

	2019 $	2018 $
Audit services - RSM Australia Partners		
Audit or review of the financial statements	45,000	29,000
Other services - RSM Australia Partners		
Other services	2,380	25,115
	47,380	54,115

Note 25. Contingent liabilities

The Company has given bank guarantees as at 30 June 2019 of $323,890 (2018: $323,890) to various landlords.

Note 26. Commitments

	2019 $	2018 $
Lease commitments - operating		
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	482,931	395,742
One to five years	227,687	707,005
	710,618	1,102,747

Operating lease commitments includes contracted amounts for lease of office premises expiring within two to three years with, in some cases, options to extend. The leases have various escalation clauses. On renewal, the terms of the leases are renegotiated.

Accounting policy for leases
The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

A distinction is made between finance leases, which effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to the ownership of leased assets, and operating leases, under which the lessor effectively retains substantially all such risks and benefits.

Note 26. Commitments (continued)

Finance leases are capitalised. A lease asset and liability are established at the fair value of the leased assets, or if lower, the present value of minimum lease payments. Lease payments are allocated between the principal component of the lease liability and the finance costs, so as to achieve a constant rate of interest on the remaining balance of the liability.

Leased assets acquired under a finance lease are depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the Company will obtain ownership at the end of the lease term.

Operating lease payments, net of any incentives received from the lessor, are charged to profit or loss on a straight-line basis over the term of the lease.

Note 27. Related party transactions

Key management personnel
Disclosures relating to key management personnel are set out in note 23 and the remuneration report included in the directors' report.

Transactions with related parties
There were no transactions with related parties during the current and previous financial year.

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

Loans to/from related parties
There were no loans to or from related parties at the current and previous reporting date.

Note 28. Reconciliation of loss after income tax to net cash used in operating activities

	2019 $	2018 $
Loss after income tax expense for the year	(8,201,109)	(5,762,692)
Adjustments for:		
Depreciation and amortisation	680,996	515,021
Share-based payments	1,901,417	1,162,198
Foreign exchange differences	26,271	22,139
Transaction costs recognised as financing	35,440	-
Gain on sale of equipment	(1,132)	-
R&D grant capitalised as part of intangible assets	489,024	485,336
Change in operating assets and liabilities:		
Increase in trade and other receivables	(369,987)	(878,135)
Decrease/(increase) in prepayments	28,022	(74,956)
Increase in trade and other payables	1,133,068	472,613
Increase in contract liabilities	3,516	-
Increase in employee benefits	43,705	78,905
Net cash used in operating activities	(4,230,769)	(3,979,571)

Note 29. Changes in liabilities arising from financing activities

	Loan - Research and development advance $	Convertible notes - liability component $	Financing facility $	Total $
Balance at 1 July 2017	424,728	1,235,385	-	1,660,113
Net cash used in financing activities	(424,728)	(1,403,785)	-	(1,828,513)
Convertible note - equity component	-	168,400	-	168,400
Balance at 30 June 2018	-	-	-	-
Net cash from financing activities	-	-	2,000,000	2,000,000
Fair value of warrants issued treated as arrangement fee	-	-	(367,086)	(367,086)
Transaction fee	-	-	(60,000)	(60,000)
Balance at 30 June 2019	-	-	1,572,914	1,572,914

Note 30. Loss per share

	2019 $	2018 $
Loss after income tax attributable to the owners of Jayride Group Limited	(8,201,109)	(5,762,692)

	Number	Number
Weighted average number of ordinary shares used in calculating basic loss per share	78,238,903	68,541,091
Weighted average number of ordinary shares used in calculating diluted loss per share	78,238,903	68,541,091

	Cents	Cents
Basic loss per share	(10.48)	(8.41)
Diluted loss per share	(10.48)	(8.41)

18,712,936 (2018: 16,334,738) options, 3,300,000 (2018: nil) performance options and 2,645,960 shares held in employees' Trust have been excluded from the above calculation as their inclusion would be anti-dilutive.

Accounting policy for loss per share

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

Diluted loss per share
Diluted loss per share adjusts the figures used in the determination of basic 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 the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Note 31. Share-based payments

Employee Share Scheme ('ESS')

After listing the Company established an ESS that incentivises employees to become shareholders of the Company.

The Company issued shares to key employees as part of their base package as well as on a performance basis for achieving net revenue, profitability, or cash milestones in the 2019 financial year. The shared issued were as follows:

Actual issue date	Issue price	Base package Number of shares issued	Performance Number of shares issued	Total Number of shares issued
29/11/2018	$0.4800	122,381	356,302	478,683
24/01/2019	$0.4400	215,742	-	215,742
01/03/2019	$0.4300	296,148	471,702	767,850
17/06/2019	$0.2674	301,551	-	301,551
17/06/2019	$0.2544	-	284,638	284,638
Accrued	$0.3267	319,217	543,572	862,789
		1,255,039	1,656,214	2,911,253

The Company issued shares to key employees as part of their base package in the 2018 financial year. The shares issued were as follows:

Actual issue date	Issue price	Base package Number of shares issued	Performance Number of shares issued	Total Number of shares issued
28/05/2018	$0.4000	75,283	-	75,283

Options

During the year ended 30 June 2019, the Company granted the following options to key executives:

	Vesting	Number of options granted
Key executives	Divided into 47 tranches and vest continuously over the 47 month vesting period, expiry date 30/06/2023.	2,378,198

Set out below are summaries of options granted:

2019

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
18/12/2017	31/03/2020	$0.5530	16,334,738	-	-	-	16,334,738
31/08/2018	30/06/2023	$0.5330	-	2,378,198	-	(237,733)	2,140,465
			16,334,738	2,378,198	-	(237,733)	18,475,203
Weighted average exercise price			$0.5530	$0.5330	$0.0000	$0.5330	$0.5507

Note 31. Share-based payments (continued)

2018

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
18/12/2017	31/03/2020	$0.5530	-	9,929,329	-	-	9,929,329
29/01/2018	31/03/2020	$0.5530	-	6,405,409	-	-	6,405,409
			-	16,334,738	-	-	16,334,738
Weighted average exercise price			$0.0000	$0.5530	$0.0000	$0.0000	$0.5530

Performance options

During the year ended 30 June 2019, the Company granted 3,600,000 performance options to the directors, as follows:

Director performance option class	Vesting condition	Number of performance options granted
Class A	Divided into 10 tranches, paid after each quarter, and vesting continuously until 1/01/2021, expiry date 30/06/2021.	1,800,000
Class B	The share price being at or above $0.55 per share at any time on or before the expiry date, 31/12/2021	300,000
Class C	The share price being at or above $0.60 per share at any time on or before the expiry date, 31/12/2021	300,000
Class D	The share price being at or above $0.65 per share at any time on or before the expiry date, 31/12/2021	300,000
Class E	The share price being at or above $0.80 per share at any time on or before the expiry date, 31/12/2021	300,000
Class F	The share price being at or above $0.95 per share at any time on or before the expiry date, 31/12/2021	300,000
Class G	The share price being at or above $1.10 per share at any time on or before the expiry date, 31/12/2021	300,000

Set out below are summaries of performance options granted:

2019

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
28/11/2018	30/06/2021	$0.5000	-	1,800,000	-	(150,000)	1,650,000
28/11/2018	31/12/2021	$0.5500	-	300,000	-	-	300,000
28/11/2018	31/12/2021	$0.6000	-	300,000	-	-	300,000
28/11/2018	31/12/2021	$0.6500	-	300,000	-	-	300,000
28/11/2018	31/12/2021	$0.8000	-	300,000	-	-	300,000
28/11/2018	31/12/2021	$0.9500	-	300,000	-	-	300,000
28/11/2018	31/12/2021	$1.1000	-	300,000	-	-	300,000
			-	3,600,000	-	(150,000)	3,450,000

Note 31. Share-based payments (continued)

For the options and performance options granted during the year ended 30 June 2019, the binomial valuation model inputs used to determine the fair value at the grant date, are as follows:

Class / Expected average vesting period	Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Dividend yield	Risk-free interest rate	Fair value at grant date
Key exec.	01/09/2018	30/06/2023	$0.400	$0.530	85.00%	-	2.62%	$0.222
A (Directors)	28/11/2018	30/06/2021	$0.480	$0.500	85.00%	-	2.62%	$0.229
B 0.63 years	28/11/2018	31/12/2021	$0.480	$0.550	85.00%	-	2.62%	$0.223
C 0.93 years	28/11/2018	31/12/2021	$0.480	$0.600	85.00%	-	2.62%	$0.216
D 1.19 years	28/11/2018	31/12/2021	$0.480	$0.650	85.00%	-	2.62%	$0.210
E 1.75 years	28/11/2018	31/12/2021	$0.480	$0.800	85.00%	-	2.62%	$0.192
F 2.10 years	28/11/2018	31/12/2021	$0.480	$0.950	85.00%	-	2.62%	$0.177
G 2.33 years	28/11/2018	31/12/2021	$0.480	$1.100	85.00%	-	2.62%	$0.164

Warrants

In consideration of the grant of $2,000,000 financing facility, the Company issued 3,616,637 warrants over ordinary shares on 2 February 2019.

For the warrants granted during the year ended 30 June 2019, the binomial valuation model inputs used to determine the fair value at the grant date, are as follows:

Vesting date	Expiry date	Exercise price	Current stock price	Expected volatility	Risk-free interest rate	Early exercise factor	Trinomial step	Fair value at grant date
02/02/2019	02/02/2022	$0.553	$0.440	80.00%	1.74%	1.36	200	$0.101

Share-based payment expense recognised

	2019 $	2018 $
Shares	1,128,345	67,922
Options	773,072	1,094,276
Warrants*	-	-
Total share-based payment expense	1,901,417	1,162,198

* The fair value of the warrants was not recognised as a share based payment expense. Refer to note 17 for the accounting treatment of the warrants.

Accounting policy for share-based payments
Equity-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using either the Binomial or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the Company receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

Note 31. Share-based payments (continued)

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

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

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

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

Note 32. Events after the reporting period

No matter or circumstance has arisen since 30 June 2019 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

In the directors' opinion:

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

- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 2 to the financial statements;

- the attached financial statements and notes give a true and fair view of the Company's financial position as at 30 June 2019 and of its performance for the financial year ended on that date; and

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

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

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

On behalf of the directors

Rodney Bishop
Managing Director

Andrey Shirben
Chairman

30 September 2019
Sydney

RSM Australia Partners

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INDEPENDENT AUDITOR'S REPORT
To the Members of Jayride Group Limited

Opinion

We have audited the financial report of Jayride Group Limited (the Company), which comprises the statement of financial position as at 30 June 2019, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

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

(i) giving a true and fair view of the Company's financial position as at 30 June 2019 and of its 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 in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company 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.

Material Uncertainty Related to Going Concern

Without modifying our opinion, we draw attention to Note 1 to the financial statements which indicates that the Company incurred a loss of $8,201,109 and reported negative operating cash flows of $4,230,740 for the year ended 30 June 2019. The Company's forecast indicates a requirement to raise capital within the next twelve months. These conditions, along with other matters as set forth in Note 1, indicate the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matters (Continued.)

Key Audit Matter	How our audit addressed this matter
Impairment of Intangibles Refer to Note 14 in the financial statements	
At 30 June 2019 the Company has intangible assets with a carrying value of $2.4m, being development costs in respect of the booking platform. We considered this a key audit matter due to the size of the intangible asset balance and the risk that the amounts capitalised do not meet the recognition and measurement criteria under AASB 138 *Intangible Assets*. In addition, there is a risk that the carrying value may be impaired and therefore not meet the requirements of AASB 136 *Impairment of Assets.* Management has performed an impairment assessment over the balance of intangible assets in each cash-generating unit ("CGU").	Our audit procedures in relation to the capitalisation of intangible assets included; • Assessing whether the Company's capitalisation policies were in compliance with AASB 138; • Testing a sample of capitalised assets to ensure they met the recognition and measurement criteria of AASB 138; • Reviewing the reasonableness of management's assessment of expected future economic benefits that are attributable to the intangible assets; and • Testing the completeness of the capitalised asset by reviewing expense nominal ledgers for costs not capitalised. Our audit procedures in relation to management's assessment of impairment included: • Reviewing management's identification of each CGU based on the group of assets which generate independent cashflows; • Assessing the valuation methodology used in the impairment assessment of each CGU; • Where the valuation methodology is based on a value in use discounted cashflow model, challenging the reasonableness of key assumptions, including the cashflow projections, revenue growth rates, discount rates, and sensitivities used; and checking the mathematical accuracy of the cashflow model, and reconciling input data to supporting evidence, such as approved budgets and considering the reasonableness of these budgets; • Where the valuation methodology is based on fair value less cost of disposal, reviewing evidence of fair value that would be received to sell the asset in an orderly transaction; and • Reviewing the accuracy of disclosures of critical estimates and assumptions in the financial report in relation to the valuation methodologies.
Key Audit Matter	**How our audit addressed this matter**
Share based payments ***Refer to Note 31 in the financial statements***	
Jayride has an employee share option plan ("ESOP") included as part of the remuneration packages for senior management. In addition to this, performance options were issued to key executives in the financial year. The various classes of performance options have market vesting conditions attached, linked to share price performance. A number of detachable warrants were also issued as part of the loan facility that was entered into by Jayride in February 2019. We identified share-based payments as a key audit matter due the complexity in the valuation and terms of the options and warrants issued.	Our audit procedures in relation to share based payments included: • Reviewing the reasonableness of option and warrants valuation inputs into the Binomial Options Pricing Model including assessment of the share volatility rates applied in comparison to entities in the similar industry; • Performing a recalculation of the Binomial Options Pricing Model for a sample of options and warrants issued; • Reviewing management's estimate around achieving the performance related conditions; • Testing a sample of options and warrants issued to signed ESOP agreements; and • Reviewing the accounting for the share-based payments (including detachable warrants) in accordance with AASB 2 Share-based Payments.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2019 but does not include the financial report and the auditor's report thereon.

RSM

Other Information (Continued.)

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.

Responsibilities of the Directors for the Financial Report

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

In preparing the financial report, the directors are responsible for assessing the ability of the Company 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 Company 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 the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar2.pdf.
This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report
We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2019.

In our opinion, the Remuneration Report of Jayride Group Limited, for the year ended 30 June 2019, complies with section 300A of the Corporations Act 2001.

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

RSM

RSM AUSTRALIA PARTNERS

J S CROALL
Partner

Dated: 30 September 2019
Melbourne, Victoria

The shareholder information set out below was applicable as at 25 September 2019.

Distribution of equitable securities

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

	Number of holders of ordinary shares
1 to 1,000	13
1,001 to 5,000	208
5,001 to 10,000	89
10,001 to 100,000	133
100,001 and over	70
	513
Holding less than a marketable parcel	19

Equity security holders

Twenty largest quoted equity security holders

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

	Ordinary shares Number held	% of total shares issued
Rodney Bishop	10,888,512	12.91
Zhongyuan Lin	9,295,048	11.02
Follow The Seed Australia P/L (Follow The Seed ILP0000146)	9,045,007	10.73
Jonathan Beare	6,043,464	7.17
Proto Investment Partners Pty Ltd	6,021,072	7.14
Artesian Afof Pty Ltd (Artesian Hostplus Vc 1 Ilp)	4,753,044	5.64
Hsbc Custody Nominees (Australia) Limited	3,972,099	4.71
Syd Ventures Inc	2,171,488	2.58
Royal Exchange Nominees Pty Ltd (Jayride Employee Share A/C)	1,686,739	2.00
Geoula Pty Ltd (Zaetz Family A/C)	1,338,258	1.59
Rimon Capital Pty Ltd	1,188,264	1.41
Australian Executor Trustees Limited	1,162,791	1.38
Vinko Grgic	1,158,720	1.37
Elyuma Enterprises Pty Ltd (Elyuma Family A/C)	1,014,840	1.20
Cleopatra Nominees Pty Limited (Classic Exec Super Fund A/C)	868,896	1.03
Geoula Pty Limited (Zaetz Family A/C)	813,408	0.96
Mr Peter Charles McWilliam	813,123	0.96
Leishi Luo	796,044	0.94
Rimon Investment Fund Pty Ltd (Rimon Investments Unit A/C)	739,800	0.88
Mr Guy Hedley	700,000	0.83
	64,470,617	76.45

Unquoted equity securities

Class	Number of securities	Number of holders
Unlisted Warrants expiring 19 March 2022	3,616,637	1
Unlisted Options exercisable at $0.553 expiring 31 March 2019	16,334,738	60
Class A Employee Options exercisable at $0.553 expiring 30 June 2023	2,140,465	7
Class A to Class G Dir Performance Options (Aggregated)	3,450,000	6

Substantial holders

The following are the substantial holders in the Company and their respective relevant interests as per their last substantial holding notices given to the Company:

	Number of securities
Andrey Shirben & Yifat Shirben & Follow The Seed Australia P/L (Follow The Seed ILP0000146) & SYD Ventures Inc & Rich Oriental Company Limited	11,146,216
Rodney John Bishop	10,888,512
Zhongyuan Lin	10,045,048

Voting rights

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

Ordinary shares

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

There are no other classes of equity securities that confer voting rights.

Securities subject to ASX imposed escrow

Class	Escrow release date	Number of securities
Options over ordinary shares	29 January 2020	6,405,409
Fully paid ordinary shares	29 January 2020	22,184,259
		28,589,668

PRINCIPAL	RESPONSE
PRINCIPLE 1: LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT	
Recommendation 1.1	
The entity should have and disclose a charter, which sets out the respective roles and responsibilities of the board, the chair and management; and includes a description of those matters expressly reserved to the board and those delegated to **management**.	Complies. The Company's Corporate Governance Plan includes a Board Charter, which discloses the specific responsibilities of the Board. The responsibilities delegated to the senior management team are set out in the Board Charter. The Board Charter can be viewed on the Company's website www.jayride.com.
Recommendation 1.2	
The entity should undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director. The entity should provide security holders with all material information relevant to a decision on whether or not to elect or re-elect a director.	Complies. The Company conducts background and reference checks for all Directors. These checks include the required checks described in ASX Guidance Note 1 before appointing an additional person, or putting forward to Shareholders a candidate for election, as a Director.
Recommendation 1.3	
The entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	Complies. All Directors have written agreements setting out the terms of their appointment.
Recommendation 1.4	
The company secretary of the entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	Complies. A Company Secretary has been appointed and is accountable directly to the Board on all matters to do with the proper functioning of the Board.
Recommendation 1.5	
The entity should establish a policy concerning diversity and disclose the policy or a summary of that policy. The policy should include requirements for the board to establish measurable objectives for achieving gender diversity for the board to assess annually both the objectives and progress in achieving them.	Complies. The Board has established a Diversity Policy. The Diversity Policy can be viewed on the Company's website www.jayride.com.
The entity should disclose in its annual report the measurable objectives for achieving gender diversity set by the board in accordance with the diversity policy and progress towards achieving them.	Whilst the Company does have a Diversity Policy and does promote gender-diversity within the workplace, the Company has not reported gender or other diversity metrics in the FY19 Annual Report. The Company will consider providing this disclosure in future Annual Reports.
The entity should disclose in its annual report the proportion of women employees in the whole organisation, women in senior executive positions and women on the board.	The Company has a gender-diverse Board, and gender-diversity at various levels of management. However, the Company has not reported diversity metrics in the FY19 Annual Report. The Company will consider providing this disclosure in future Annual Reports.

Recommendation 1.6

The entity should have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors and disclose in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.

Partially complies

The Board is responsible for evaluating the performance of the Board and individual Directors will be evaluated on an annual basis. It may do so with the aid of an independent advisor.

The Remuneration and Nomination Committee is in the process of conducting an annual evaluation of the performance of the Board. The Company will consider disclosing details of this evaluation in future Annual Reports.

Recommendation 1.7

The entity should have and disclose a process for periodically evaluating the performance of its senior executives and disclose in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process

Partially complies.

Senior executive key performance indicators are set annually, with performance appraised by the Board, and reviewed in detail by the Board.

The Company has established a process for an internal review however the details of this internal review are not disclosed in the FY19 Annual Report. The Company will consider making this disclosure with further detail in future Annual Reports.

PRINCIPLE 2: STRUCTURE THE BOARD TO ADD VALUE

Recommendation 2.1

The entity's board should have a nomination committee, which has at least three members, a majority of whom are independent directors and is chaired by an independent director.

Complies.

The Board has established a Remuneration and Nomination Committee. This Committee is chaired by Andrey Shirben, the non-executive Chairman, another non-executive director and the Managing Director are members of the Remuneration and Nomination Committee. Accordingly, a majority of the members are independent.

The Company's Acting Head of People (the CFO) is also a non-voting member of the Committee in an ex-officio capacity.

The entity should disclose the charter of the committee, the members of the committee and as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings.

Complies.

This information is set out in the Company's Annual Report.

If the entity does not have a nomination committee, it should disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, experience, independence and knowledge of the entity to enable it to discharge its duties and responsibilities effectively.

N/A. The Company has established a Remuneration and Nomination Committee.

Recommendation 2.2

The entity should have and disclose a board skill matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.	Does not yet comply. The Remuneration and Nomination Committee intends to develop a board skill matrix setting out the mix of skills and diversity the Board has and requires. The skill matrix will be available at the Company's website once finalised.

Recommendation 2.3

The entity should disclose the names of the directors considered by the board to be independent directors and the length of service of each director.	Complies.
The entity should disclose if a director has an interest, position, association or relationship of the type described in Box 2.3 of the ASX Corporate Governance Principles and Recommendation (3rd Edition), but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion.	The independence of directors and the length of service of each director will be set out in the Company's annual report. Details of any relevant interest, position, association or relationship impacting upon a director's independence will be set out in the Company's Annual Report.

Recommendation 2.4

A majority of the board of the entity should be independent directors.	Complies.

Recommendation 2.5

The chair of the board of the entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	Complies The Chair of the Board is an independent director, who is not the CEO of the entity.

Recommendation 2.6

The entity should have a program for inducting new directors and providing appropriate professional development opportunities for continuing directors to develop and maintain the skills and knowledge needed to perform their role as a director effectively.	Partially complies. Currently the induction of new directors and plan for professional development is managed informally by the Remuneration and Nomination Committee. The Company intends to develop a formal program for inducting new directors and providing appropriate professional development opportunities.

PRINCIPLE 3: ACT ETHICALLY AND RESPONSIBLY

Recommendation 3.1

The entity should establish a code of conduct and disclose the code or a summary of the code.	Complies. The Board has established a Code of Conduct to guide compliance with legal, ethical and other obligations to legitimate stakeholders and the responsibility and accountability required of Jayride's personnel for reporting and investigating unethical practices or circumstances where there are beaches of the Code. The Code of Conduct can be viewed on the Company's website.

PRINCIPLE 4: SAFEGUARD INTEGRITY IN FINANCIAL REPORTING

Recommendation 4.1

The board of the entity should have an audit committee, which consists only of non-executive directors, a majority of which are independent directors and is chaired by an independent chair, who is not chair of the board. The entity should disclose the charter of the committee, the members of the committee and as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings.	Partially complies. The Board has established an Audit and Risk Committee. The Committee is chaired by an independent non-executive director, Sam Saxton. The Board has confirmed that in their opinion, Sam Saxton has sufficient qualifications and experience in finance and business management to fulfil this role. Additionally, the Committee includes one non-executive independent director and the Managing Director (who is not an independent director). The Chief Financial Officer is a non-voting member of this Committee in an ex-officio capacity. The Board has established an Audit and Risk Committee Charter which can be viewed on the Company's website. The Company has disclosed the number of times the Committee has met through the period and the individual attendance of the members at those meetings in the Annual Report.

Recommendation 4.2

The board should disclose whether it has, before approving the entity's financial statements for a financial period received assurance from the chief executive officer (or equivalent) and the chief financial officer (or equivalent) a declaration that the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively in all material respects in relation to financial reporting risks.	Complies. The Board requires the Managing Director, who is also the Chief Executive Officer, and also the Chief Financial Officer to provide such a statement before approving the entity's financial statements for a financial period. The Board had received this assurance from the Managing Director and Chief Financial Officer prior to lodgement of this Annual Report.

Recommendation 4.3

When the entity has an AGM it should ensure that its external auditor attends the AGM and is available to answer questions from security holders relevant to the audit.	Complies. The Company will take reasonable steps to ensure that the external auditor will attend the AGM and is available to answer questions from shareholders relevant to the audit.

PRINCIPLE 5: MAKE TIMELY AND BALANCED DISCLOSURE

Recommendation 5.1

The entity should establish written policies designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at senior executive level for that compliance and disclosed those policies or a summary of those policies.	Complies. The Company has a written policy on information disclosure. The focus of these policies and procedures is continuous disclosure and improving access to information for investors. Details of the entity's continuous disclosure policy can be viewed on the Company's website.

PRINCIPLE 6: RESPECT THE RIGHTS OF SHAREHOLDERS

Recommendation 6.1

The entity should provide information about itself and its governance to investors via its website.

Complies.

The Company has provided specific information about itself and its key personnel and has developed a comprehensive Corporate Governance Plan.

Details can be found at the Company's website.

Recommendation 6.2

The entity should design and implement an investor relations program to facilitate effective two-way communication with shareholders.

Complies.

The Company has established a Shareholder's Communication Policy. The Company recognises the importance of forthright communications and aims to ensure that the shareholders are informed of all major developments affecting the Company.

Details of the Shareholder's Communication Policy can be found at the Company's website.

Recommendation 6.3

The entity should disclose the policies and processes it has in place to facilitate and encourage participation at general meetings.

Complies.

The Shareholder's Communication Policy is available on the Company's website and details are set out in the Company's annual report.

Recommendation 6.4

A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.

Complies.

The Company has provided the option to receive communications from, and send communications to, the entity and its security registry electronically.

PRINCIPLE 7: RECOGNISE AND MANAGE RISK

Recommendation 7.1

The board of the entity should have a committee or committees to oversee risk each of which has at least three members, a majority of whom are independent directors and is chaired by an independent director.

The entity should disclose the charter of the committee, the members of the committee and as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings.

Complies.

The Board has established an Audit and Risk Committee. The Committee is chaired by an independent non-executive director, Sam Saxton. The Board has confirmed that in their opinion, Sam Saxton has sufficient qualifications and experience in finance and business management to fulfil this role. The Committee also includes one non-executive independent director and the Managing Director (who is not an independent director).

The Chief Financial Officer, whose responsibilities include risk management, is a non-voting member of this Committee in an ex-officio capacity.

Details of the number of times the committee met throughout the period and the individual attendances of the members at those meetings in FY19 are set out in the Annual Report.

Recommendation 7.2

The board or board committee should review the entity's risk management framework with management at least annually to satisfy it that it continues to be sound, to determine whether there have been any changes in the material business risks the entity faces and to ensure that they remain within the risk appetite set by the board.	Complies. The Audit and Risk Committee in consultation with executive management have developed a risk register. This register is frequently updated at every Board Meeting for consideration by the Directors. Where concerns arise, they are taken to Audit and Risk Committee for management.
The entity should also disclose in relation to each reporting period, whether such a review has taken place.	Complies. The Audit and Risk Committee has conducted this review.

Recommendation 7.3

The entity should disclose if it has an internal audit function, how the function is structured and what role it performs. If the entity does not have an internal audit function, the entity should disclose that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.	Partially complies. The Board has established an Audit and Risk Committee. The conduct of an internal audit is within its remit. The details of the Committee's operation is disclosed in the Audit and Risk Committee Charter available on the Company's website. The Company will disclose in future Annual Reports the details of any internal audit that is conducted by the Committee.

Recommendation 7.4

The entity should disclose whether, and if so how, it has regard to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.	Partially complies. The Board has established an Audit and Risk Committee. Consideration of these risks is within the remit of the Audit and Risk Committee, however no such review was undertaken in FY19. The Company will disclose in future Annual Reports the details of any such review that is conducted by the Committee.

PRINCIPLE 8: REMUNERATE FAIRLY AND RESPONSIBLY

Recommendation 8.1

The board should establish a remuneration committee, which has at least three members, a majority of whom are independent directors and is chaired by an independent director.	Complies. The Board has established a Remuneration and Nomination Committee. This Committee is chaired by Andrey Shirben, the non-executive Chairman, Andrew Coppin, a non-executive director and the Managing Director are members of the Remuneration and Nomination Committee. Accordingly, a majority of the members are independent.
If the entity does not have a remuneration committee, the entity should disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.	N/A. The Board has established a Remuneration and Nomination Committee.

Recommendation 8.2

The entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives and ensure that the different roles and responsibilities of non-executive directors compared to executive directors and other senior executives are reflected in the level and composition of their remuneration.	Partially complies. The Company distinguishes the structure of Non-Executive Directors' remuneration from that of Executive Directors and senior executives. Details of the remuneration of directors are out in the Company's Annual Report. The Remuneration and Nomination Committee will conduct a review of directors' remuneration and intends to report any findings in future Annual Reports. The Remuneration and Nomination Committee Charter can be viewed on the Company's website.

Recommendation 8.3

If the entity has an equity-based remuneration scheme, the entity should have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise), which limit the economic risk of participating in the scheme, and disclose that policy or a summary of it.	Complies. The Company's Share Trading Policy, amongst other provisions, prohibits executive staff from undertaking hedging or other strategies that could limit the economic risk associated with Company Securities issued under any equity-based remuneration scheme. The Share Trading Policy can be viewed on the Company's website.