



24th of January 2018

**By email:**

[Stephanie.so@asx.com.au](mailto:Stephanie.so@asx.com.au)

cc: [Andrew.black@asx.com.au](mailto:Andrew.black@asx.com.au)

Ms Stephanie So  
Senior Adviser, Listings Compliance  
ASX Compliance Pty Ltd  
Exchange Centre  
20 Bridge Street  
Sydney NSW 2000

Dear Ms So,

**Response to ASX letter regarding GetSwift Limited ("GSW"): aware query**

We refer to recent articles appearing in the Australian Financial Review and your letter of 22 January 2017 entitled "GetSwift Ltd (**GSW**) – aware query" (**ASX Aware Letter**).

GSW refutes the negative claims made in the Australian Financial Review articles and categorically denies that it has failed to report material information in any of the circumstances suggested therein. GSW takes its compliance obligations seriously. Clearly the integrity of its disclosures is paramount to a successful partnership with its shareholders and the market generally.

The Company believes it has carried out its responsibilities with proper diligence regarding the matters raised and has not failed to disclose matters that were required to be disclosed.

We have set out below our responses to the questions and requests for information of the ASX Aware Letter (adopting your numbering and defined terms) in section B, below, to the best of the Company's knowledge and belief. In addition to those responses, we also make some general comments.

**A. General Comments**

1. GSW is growing and has continued to grow consistently quarter on quarter. GSW has regularly reported not just percentage growth figures of both revenue and deliveries, to demonstrate the extent of the growth being experienced, but has also reported on specific delivery numbers. There is nothing unclear to the market about what these numbers are, and the extent to which they are growing.
2. GSW's business model uses a Software as a Service platform (see section 3.2 of the prospectus of 7 December 2016 (the **Prospectus**)), rather than deployed software.

3. GSW offers a white labelled, enabling technology to companies for a low, pay as you use, transaction based fee (see section 3.7 of the Prospectus. Revenue is generated on a per delivery basis using a transaction fee of up to \$0.29 per delivery. Discounts are applied to larger clients using a tiered fee structure, based on the client's monthly transactional volume and the length of contract commitment. No fixed maintenance or upfront set-up fees apply. Additional fixed subscription fees are payable on a per delivery driver basis for fleet management and smart routing (see section 3.7 of the Prospectus).
4. As specified in our Prospectus, enterprise clients are larger organisations with multi-site requirements and trading volumes of greater than 10,000 deliveries per month. The sales cycle is more interactive with these clients and requires a GetSwift sales person to onboard and monitor. Typically, a 90-day Proof of Concept (**POC**) is granted and the client then moves to a standard contract (see section 3.7 of the Prospectus). Contracts for enterprise clients are typically two-three years initially in length. Bespoke solutions are also available to enterprise clients and these are assessed and priced individually based on the complexity of the requirement.
5. Because GSW's revenue is generated from low, pay as you use, transaction based fees (see section 3.7 of the Prospectus), this means that clients, that no longer wish to use the platform, simply cease using it (<http://www.getswift.co/pricing>) and this is reflected in GSW's periodic reporting of delivery transactions and revenue.

**B. Responses to ASX's Questions**

1. At the time, GSW considered that the addition of The Fruit Box Group as a client could potentially have had a material effect.
2. Not applicable. See response to 1.
3. No. Clause 4 of the contract provided for a Limited Roll Out period. Fees were only to be charged from the start of the Initial Period.

GSW does not believe the POC period to be a material condition to the contracts, as it will typically have no bearing on the commercial relationship in terms of any ability of the client to cease using the GSW platform. Regardless of any POC period, because the contracts are pay as you go, clients that wish to no longer use the platform simply cease using it and this is then reflected in our periodic reporting of delivery transactions and revenue.

4. Not applicable. See response to 3.
5. Yes. On or about 20 March 2017, Fruit Box Group sought a release from the contract.
6. No.
7. Not applicable. See response to 6.
8. GSW formed that view because:

- (a) the share price movement following the Fruitbox announcement suggested that the market did not consider it to be a significant transaction; and
  - (b) at the time that Fruitbox sought a release from its agreement, GSW was finalising its agreement with CBA, which was a significant transaction and due to be announced to the market shortly thereafter thus putting the nature and size of the Fruitbox transaction in a different light.
9. GSW announced its separate agreements with BETTA Home Living and Fantastic Furniture, together, in one announcement by the Company on 23 August 2017. However, BETTA Home Living and Fantastic Furniture are a separate entities and the Company's agreements with each of them are completely separate.
- Each new client added or each client lost does not necessarily have a material effect.
- At the time, the Company considered that the addition of both BETTA Home Living and Fantastic Furniture as clients could potentially have had a material effect. However, if just one of those new clients had been added at that time, in isolation, the Company considers that information would not have had a material effect.
10. Not applicable. See response to 9.
11. As noted in its ASX announcement of 23 August 2017, GSW entered into separate agreements with BETTA Home Living and Fantastic Furniture. The answers below relate to the Fantastic Furniture contract.
- No. Clause 4 provided that the term was 38 months, comprising a Trial Period and an Initial Term (of 36 months). Fees were only to be charged from the start of the Initial Period.
12. Not applicable. See response to 11.
13. Due to the circumstances of notification by Fantastic Furniture regarding the contract with them, the Company was left with the impression that activity may resume. The BETTA Home Living contract remains in effect.
14. No.
15. Not applicable. See response to 13.
16. Please see our responses above.
17. Yes.
18. Not applicable. See response to 17.
19. No.

20. Not applicable. See response to 19.
21. GSW has no reason to believe that CBA will not use the GSW platform.
22. Not applicable. See response to 21.
23. No POC periods are in effect for any contracts or partnerships that GSW has previously announced. POC periods were not disclosed for any contracts because GSW does not believe any of the POC period provisions to be material conditions to the contracts, as it will typically have no bearing on the commercial relationship in terms of any ability of the clients to cease using the GSW platform. Regardless of any POC period, because the contracts are pay as you go; clients that no longer want to use the platform simply cease using it and this is then reflected in our periodic reporting of delivery transactions and revenue.
24. See response to 23.
25. The Company is not aware of any contracts announced to the market that have been formally terminated. Each new client added or each client lost does not necessarily have a material effect.
26. Not applicable. See response to 25.
27. GSW considers that it is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.
28. GSW confirms that the GSW responses have been authorised and approved for release to ASX by the board of directors of GSW.

Yours sincerely

*Brett Eagle*

Brett Eagle  
General Counsel & Corporate Affairs





22 January 2018

Mr Brett Eagle  
General Counsel & Corporate Affairs  
GetSwift Limited  
Level 2  
6 Bridge Street  
Sydney NSW 2000

By email: [brett@getswift.co](mailto:brett@getswift.co)

Dear Mr Eagle

**GetSwift Limited (“GSW”): aware query**

ASX Limited (“ASX”) refers to the following:

- A. GSW’s announcement entitled *“GetSwift signs The Fruit Box Group (Box Corporate) to a 3 year, 7M+ deliveries contract”* lodged on the ASX Market Announcements Platform (“MAP”) and released at 9:29 am on 24 February 2017 (the “Fruit Box Announcement”), disclosing that GSW:

*“... is pleased to announce it has signed The Fruit Box Group to an exclusive 3 year contract to optimise and manage their fruit, milk and goods delivery operations nationally.”*

*“Exclusive contract projected at more than 7,000,000+ total aggregate deliveries.”*

- B. The increase in the price of GSW’s securities after the release of the Fruit Box Announcement from a closing price on 23 February 2017 of \$0.46 to a closing price of \$0.48 on 24 February 2017, a 4.35% increase.

- C. GSW’s announcement entitled *“Commonwealth Bank and GetSwift sign exclusive partnership”* lodged on MAP and released at 8:26am on 4 April 2017 (the “CBA Announcement”), disclosing that GSW:

*“... is pleased to announce that it has signed an exclusive multiyear partnership with Australia’s leading financial institution Commonwealth Bank.”*

*“GetSwift estimates the deal will result in over 257,400,000 deliveries on its platform over the next five years, with an estimated aggregate transaction value of \$9 billion.”*

*“Rollouts will commence shortly to selected markets with full national deployment expected to be in place in 2017.”*

- D. The increase in the price of GSW’s securities after the release of the CBA Announcement from a closing price on 3 April 2017 of \$0.49 to an intra-day high of \$0.785 and a closing price of \$0.73 on 4 April 2017, the latter being a 48.98% increase.

- E. GSW’s announcement entitled *“GetSwift signs Betta Home Living and Fantastic Furniture”* lodged on MAP and released at 10:20am on 23 August 2017 (the *“Betta Home Living and Fantastic Furniture Announcement”*), disclosing that:

*"...is pleased to announce that it has signed exclusive commercial multi-year agreements with BETTA Home Living (Betta.com.au) and Fantastic Furniture (Fantatsticfurniture.com.au)."*

F. The increase in the price of GSW's securities after the release of the Betta Home Living and Fantastic Furniture Announcement from a closing price on 22 August 2017 of \$1.00 to a closing price of \$1.015 on 23 August 2017, a 1.5% increase.

G. GSW's announcement entitled "*CBA and GetSwift Update*" lodged on MAP and released at 9:34am on 18 December 2017 (the "*CBA Announcement Update*"), disclosing that GSW:

*"... is pleased to provide an update on the exclusive multi year partnership it has signed with Australia's leading financial institution Commonwealth Bank of Australia."*

*"Both the Company and CBA are pleased with the progress of the program. Extensive testing, security reviews, stability metrics, and validation of the platform has been conducted in 2017. Some key highlights:*

- *The Driver application has been jointly tested and is fully functional/ready for use.*
- *The payment component has been jointly tested and is being validated live in select markets.*
- *The Store application has been jointly tested and is fully functional/ready for use.*
- *CBA will begin deploying the GetSwift platform as part of the new Albert operating system rollout. Although a deployment under the old CBA Albert operating system was considered to speed up market deployment by a few months, strategically the bundling of the GetSwift service with the new Albert operating system was the preferred choice and agreed by both organisations.*
- *Approximately 90,000 merchants will receive the new operating system with the GetSwift platform with go to market live rollouts planned from Feb 2018 onwards.*
- *The company expects to see revenues from the market utilization to start manifesting in mid-2018.*
- *CBA and GetSwift will jointly address and market the new product from Feb 2018 onwards."*

H. The article on pages 18 and 19 of The Australian Financial Review dated 20-21 January 2017 (the "AFR Weekend") entitled "*GetSwift: too fast for own good*", stating the following:

*"Software market darling GetSwift twice failed to update the market about losing materially significant contracts, an investigation by AFR Weekend has revealed.*

*It also jumped the gun on revenue forecasts tied to a Commonwealth Bank of Australia partnership, raising questions about other deals done in 2017 when the company's share price rose tenfold.*

*Fantastic Furniture and office delivery group The Fruit Box Company said they never used GetSwift's last-mile logistics software after an initial trial, despite the company's ASX announcements about multi-year deals with each.*

*Commonwealth Bank says the company moved prematurely in December when it outlined revenue forecasts for a partnership that is only in the pilot phase. ...*

*In relation to The Fruit Box Group, Mr Macdonald said: "It's not material now," after saying the contract had been pulled immediately after GetSwift made the statement to the market. ....*

CBA said in a statement to AFR Weekend it had not yet reached a pilot phase stage with GetSwift, which claimed as recently as December that it had signed a "multi-year, exclusive partnership" with the bank, and said it expected revenues to "start manifesting in mid-2018".

"The GetSwift application is not yet in pilot phase, so until we are comfortable with the performance of the solution we are unable to comment any further. The update made by GetSwift to the market on December 18 was not approved by Commonwealth Bank," a company spokesman said, adding that it had signed a contract with the company. ....

On February 27 last year GetSwift said it had signed an "exclusive three-year contract" with The Fruit Box Group, claiming the "exclusive contract projected at more than 7 million-plus total aggregate deliveries".

When contacted by AFR Weekend, a representative of The Fruit Box Group said: "We tested the product and it didn't go beyond the pilot stage." The company declined to comment further.

Six months later, on August 23, GetSwift released a statement to the ASX saying it had signed "exclusive commercial multi-year agreements with BETTA Home Living and Fantastic Furniture".

A spokesman for Steinhoff Australia and New Zealand, which owns Fantastic Furniture, said: "GetSwift approached us in August last year. They were referred by one of our suppliers, Queensland All Purpose Transport, which does warehousing for Fantastic. They came and presented their software and we did a 30-day trial. But at the end of the trial we said thanks, but no thanks." ....

GetSwift is due to update the market with its quarterly numbers later this month.

"Our 4C is about to come. We will continue to see geometric growth. Each quarter we've grown by 50 per cent ... we will continue with geometric growth," Mr Macdonald said."

- I. Listing Rule 3.1, which requires a listed entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities.
- J. The definition of "aware" in Chapter 19 of the Listing Rules, which states that:

*"an entity becomes aware of information if, and as soon as, an officer of the entity (or, in the case of a trust, an officer of the responsible entity) has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as an officer of that entity"*

and section 4.4 in Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B* "When does an entity become aware of information".

- K. Listing Rule 3.1A, which sets out exceptions from the requirement to make immediate disclosure, provided that each of the following are satisfied.

*"3.1A Listing rule 3.1 does not apply to particular information while each of the following is satisfied in relation to the information:*

*3.1A.1 One or more of the following applies:*

- *It would be a breach of a law to disclose the information;*
- *The information concerns an incomplete proposal or negotiation;*



- *The information comprises matters of supposition or is insufficiently definite to warrant disclosure;*
- *The information is generated for the internal management purposes of the entity; or*
- *The information is a trade secret; and*

3.1A.2 *The information is confidential and ASX has not formed the view that the information has ceased to be confidential; and*

3.1A.3 *A reasonable person would not expect the information to be disclosed.”*

- L. ASX’s policy position on the concept of “*confidentiality*”, which is detailed in section 5.8 of Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*. In particular, the Guidance Note states that:

*“Whether information has the quality of being confidential is a question of fact, not one of the intention or desire of the listed entity. Accordingly, even though an entity may consider information to be confidential and its disclosure to be a breach of confidence, if it is in fact disclosed by those who know it, then it ceases to be confidential information for the purposes of this rule.”*

- M. ASX’s policy position on the contents of announcements under Listing Rule 3.1, which is detailed in section 4.15 of Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*. In particular, the Guidance Note states that:

*“Wherever possible, an announcement under Listing Rule 3.1 should contain sufficient detail for investors or their professional advisers to understand its ramifications and to assess its impact on the price or value of the entity’s securities.*

*For example, depending on the circumstances, an announcement about the signing of a contract relating to a significant acquisition or disposal might include information about:*

- *any material conditions that need to be satisfied before the agreement becomes legally binding or proceeds to completion;*
- *the likely effect of the transaction on the entity’s total assets, total equity interests, annual revenue (or, in the case of a mining exploration entity or other entity that is not earning material revenue from operations, annual expenditure) and annual profit before tax and extraordinary items;”*

Having regard to the above, ASX asks GSW to respond separately to each of the following questions and requests for information:

1. Does GSW consider the information in the Fruit Box Announcement to be information that a reasonable person would expect to have a material effect on the price or value of its securities?
2. If the answer to question 1 is “no”, please advise the basis for that view.
3. Was the contract with The Fruit Box Group subject to any initial pilot testing trial period?
4. If the answer to question 3 is “yes”, please state how long was the trial period and explain why this information was not disclosed in the Fruit Box Announcement.

5. Has the contract with The Fruit Box Group been terminated?
6. If the answer to question 5 is “yes”, did GSW consider termination of the contract with The Fruit Box Group to be information that a reasonable person would expect to have a material effect on the price or value of its securities?
7. If the answer to question 6 is “yes”, when did GSW first become aware of the information, and did GSW make an announcement which disclosed the information? If so, please provide details. If not, please explain why this information was not released to the market.
8. If the answer to question 6 is “no”, please advise the basis for that view.
9. Does GSW consider the information in the Betta Home Living and Fantastic Furniture Announcement to be information that a reasonable person would expect to have a material effect on the price or value of its securities?
10. If the answer to question 9 is “no”, please advise the basis for that view.
11. Was the contract with Betta Home Living and Fantastic Furniture subject to any initial pilot testing trial period?
12. If the answer to question 11 is “yes”, please state how long was the trial period and explain why this information was not disclosed in the Betta Home Living and Fantastic Furniture Announcement.
13. Has the contract with Betta Home Living and Fantastic Furniture been terminated?
14. If the answer to question 13 is “yes”, did GSW consider termination of contract with Betta Home Living and Fantastic Furniture to be information that a reasonable person would expect to have a material effect on the price or value of its securities?
15. If the answer to question 14 is “yes”, when did GSW first become aware of the information, and did GSW make an announcement which disclosed the information? If so, please provide details. If not, please explain why this information was not released to the market.
16. If the answer to question 14 is “no”, please advise the basis for that view.
17. Does GSW consider the information in the CBA Announcement to be information that a reasonable person would expect to have a material effect on the price or value of its securities?
18. If the answer to question 17 is “no”, please advise the basis for that view.
19. Was the contract with CBA subject to any initial development period and/or pilot testing trial period?
20. If the answer to question 19 is “yes”, please state how long is the development period and/or trial period and when did it or will it commence, and explain why this information was not disclosed in the CBA Announcement.
21. Has the CBA agreed to adopt the GetSwift Application?
22. If the answer to question 21 is “no”, please explain on what basis GSW expects to see revenues from the market utilization to start manifesting in mid-2018, and that the CBA deal is estimated to result in in over 257,400,000 deliveries on its platform over the next five years, with an estimated aggregate transaction value of \$9 billion.

23. GSW has announced to the market other contracts and/or partnerships not mentioned above. Are any of these subject to initial development and/or trial periods?
24. If the answer to question 23 is “yes”, please advise which contracts/partnerships and if not already disclosed to the market, please explain why this information was not disclosed to the market.
25. In relation to these other contracts and/or partnerships, have any been terminated, and if so which ones.
26. If the answer to question 25 is “yes”, when did GSW first become aware of the information, and did GSW make an announcement which disclosed the information? If so, please provide details. If not, please explain why this information was not released to the market.
27. Please confirm that GSW is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.
28. Please confirm that GSW’s responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of GSW with delegated authority from the board to respond to ASX on disclosure matters.

#### **When and where to send your response**

This request is made under, and in accordance with, Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by not later than half an hour before the start of trading (ie before 9.30 a.m. AEDT) on 25 January 2018. If we do not have your response by then, ASX will have no choice but to consider suspending trading in GSW’s securities under Listing Rule 17.3.

You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, GSW’s obligation is to disclose the information “immediately”. This may require the information to be disclosed before the deadline set out in the previous paragraph.

ASX reserves the right to release a copy of this letter and your response on the ASX Market Announcements Platform under Listing Rule 18.7A. Accordingly, your response should be in a form suitable for release to the market.

Your response should be sent to me by e-mail to [stephanie.so@asx.com.au](mailto:stephanie.so@asx.com.au), with a copy to my manager [andrew.black@asx.com.au](mailto:andrew.black@asx.com.au). It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

#### **Listing Rules 3.1 and 3.1A**

In responding to this letter, you should have regard to GSW’s obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*.

It should be noted that GSW’s obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

If you have any queries or concerns about any of the above, please contact me immediately.

Yours sincerely

*[Sent electronically without signature]*

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