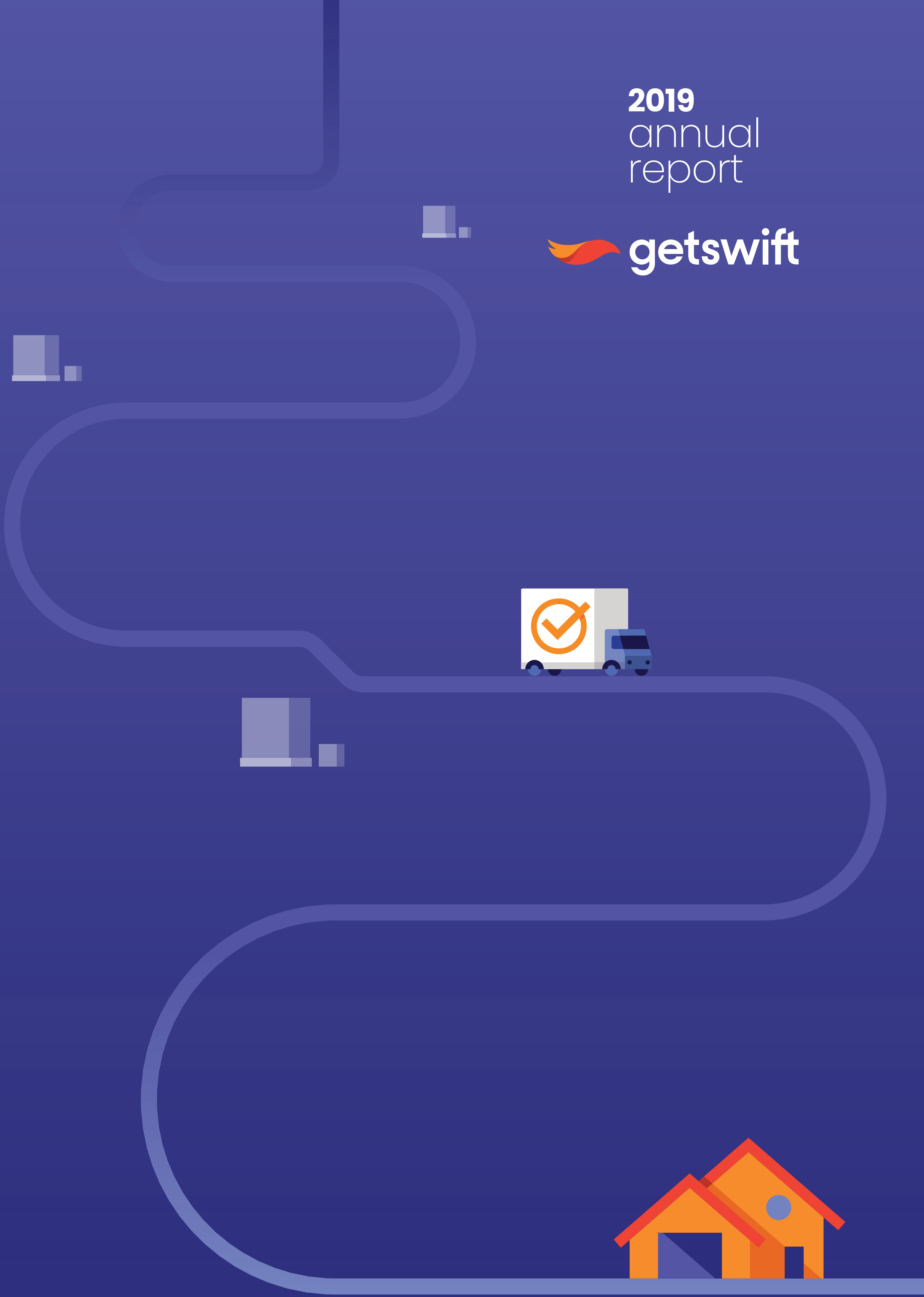
2019 annual report

getswift



GetSwift Limited
ABN 57 604 611 556

Corporate directory

Directors	**Mr Bane Hunter** Chief Executive Officer and Executive Director
	Mr Joel Macdonald Founder, President, Managing Director and Executive Director
	Mr Stanley Pierre-Louis Independent Non-Executive Chairman
	Mr Marc Naidoo Independent Non-Executive Director
	Mr Terrance White Independent Non-Executive Director
	Mr Carl Mogridge Independent Non-Executive Director
Secretary	**Ms Sophie Karzis**
Registered office	Level 3, 62 Lygon Street Carlton VIC 3053 Australia Telephone: +61 (0)3 9824 5254 Facsimile: +61 (0)3 9822 7735
Principal place of business	1185 6th Avenue New York NY 10036 United States
Share register	Computershare Investor Services Pty Limited 452 Johnston Street Abbotsford VIC 3067 Australia Telephone: +61 0(3) 9415 5000 Facsimile: +61 0(3) 9473 2500
Auditor	RSM Australia Partners Level 21, 55 Collins Street Melbourne VIC 3000 Telephone: +61 (0)3 9286 8000 Facsimile: +61 (0)3 9286 8199
Solicitors	Quinn Emanuel Urquhart & Sullivan, LLP Level 15, 111 Elizabeth Street Sydney NSW 2000 Australia Telephone: +61 (0)2 9146 3500 Facsimile: +61 (0)2 9146 3600
	Jones Day Level 41, 88 Phillip Street Sydney NSW 2000 Australia Telephone: +61 (0)2 8272 0500 Facsimile: +61 (0)2 8272 0599
Bankers	Commonwealth Bank of Australia 325 Collins Street Melbourne VIC 3000
Stock exchange listings	GetSwift Limited shares are listed on the Australian Securities Exchange (ASX: GSW)
Website	**www.getswift.co**

for those who deliver™

GetSwift provides a simple and secure cloud-based SaaS solution for businesses to automate their delivery management and better serve their customers.

We were born first as a delivery firm, then quickly saw the need for software to guide deliveries while updating customers and shippers along the way. Since then we have grown to serve companies of all sizes around the globe as they deliver their last-mile.

In the farm-to-table market, we help local farms rush dairy and produce to homes and restaurants. For a non-profit in Chicago, GetSwift automates dispatch and alerts for tailored meals that nourish cancer patients.

Whether delivering cold beer in Egypt or Mexico, billiard tables in Texas, pizza and tacos in the Middle East or roast chicken in Australia, the last mile of the supply-chain just works better with the help of GetSwift.

We truly love helping our customers grow their business through better delivery management.

It’s a passion that began years ago.

It’s why we built GetSwift.

For those who deliver.

Letter from the Chairman

"On behalf of the Directors and our entire GetSwift team, we are pleased to present the GetSwift annual report for 2019."

GetSwift is an emerging growth company focused on improving the delivery of goods and services for businesses and their customers around the globe. I had the privilege of serving as an advisor to GetSwift for almost two years before becoming its chairman. Over my tenure with the company, it has become increasingly clear to me that the opportunity before us is quite large and that our position in the market is quite unique.

GetSwift is trusted with the products of some of the world's leading brands. That's no easy task – especially for a relatively young firm in an evolving space – but it speaks to the hard work and dependability GetSwift has demonstrated to its business partners.

The fiscal year covered by this annual report saw impressive growth through each quarter when compared to quarters in the previous fiscal year.

Because we grow when our customers succeed in delivery, our planning for their needs is critical to our joint success. Our ability to provide reliable, secure and easy-to-use tools for their delivery management is paramount to this relationship.

Our company took several important steps this year to improve services to our customers now and in the future, no matter where their business needs lie around the globe. This included growing our Denver Technology Centre and launching a European software development and customer support facility in Belgrade. Our teams are already making delivery better for our customers today as we build new systems for the businesses of tomorrow.

GetSwift also made careful investments on two strategic acquisitions that will help further accelerate its emerging growth. The acquisition of DeliveryBizPro has already extended GetSwift's business into scheduled recurring deliveries in markets as diverse as farm-to-table, meal kits, office water and dairy. And, with Scheduling+ in our portfolio, we bring our clients the workforce management tools needed to build their own delivery force and win back customers and margin from third-party delivery firms. We will continue to responsibly steward our capital resources as we react to opportunities in the market, whether they are new customer expansions or strategic M&A options.

Finally, in addition to my new role as chairman, this past year saw new directors join the board, resulting in a team with strong business experience across the transportation, information technology, media, marketing and automotive sectors. Together, we are a formidable team focused on helping guide and support our management as they build the business and operations to serve our customers' growing delivery management needs.

During the fiscal year, GetSwift achieved strong business gains while maintaining its strong governance practices and carefully addressing the regulatory and class action litigation challenges that emerged in 2018. Through it all, we are guided by one clear objective: to create lasting shareholder value.

Thank you for your support of, and confidence in, GetSwift.

Stanley Pierre-Louis
CHAIRMAN

“This year saw some remarkable progress in our continued journey as a leading SaaS delivery management automation firm.”

CEO & President review

To Our Shareholders:

We are pleased to share the significant achievements of your company during Fiscal Year 2019.

Together we experienced four consecutive quarters of accelerating year-on-year growth in revenue and other income, reaching a pace of 249% in the three months ended June 30.

Total revenue and other income for Fiscal Year 2019 was $3,820,085, an increase of 159 per cent compared to the previous fiscal year (2018: $1,477,213). Net loss after tax was $19,493,905 (2018: $12,123,208) of which a significant amount had been allocated for technology staff growth, enterprise integrations, R&D and platform enhancements.

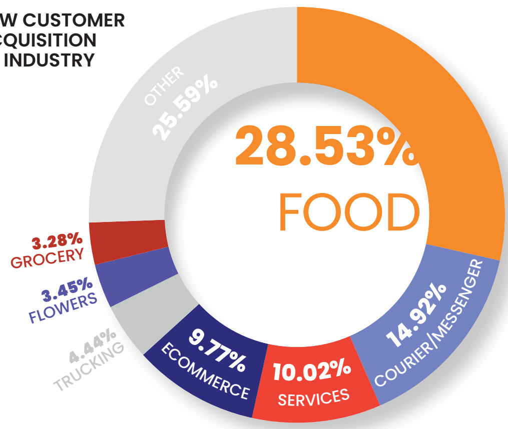
The company also ended Fiscal Year 2019 with cash and cash equivalents of $68,809,011 and no outstanding debt.

GetSwift continues to expand its reach around the globe as companies of all sizes in a wide array of business sectors use our platform to support their business needs. Companies delivering products as diverse as food, alcoholic beverage, lumber, auto parts, repair services, groceries, farm produce, cannabis and billiard tables count on GetSwift platforms to efficiently organize, dispatch, guide and report along the way.

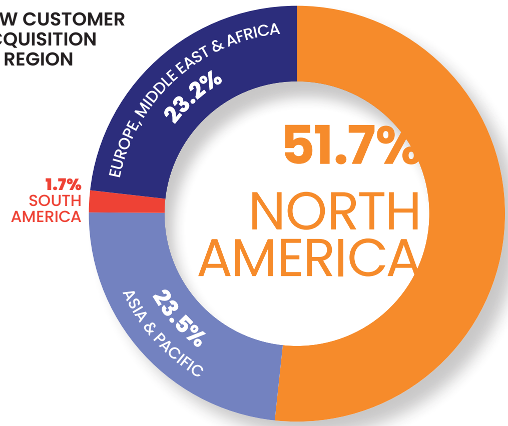
Over the fiscal year the Group grew its investments in technology, enterprise integrations and product development while it deepened its expansion into new regions and markets around the globe.

With its executive team in New York and its tech team leadership at the Software Development Centre in Denver, the Group added a new European tech development facility in Belgrade providing software development, quality assurance and customer success functions for the EMEA region. We now have continuous time zone coverage for our customers who operate around the globe.

NEW CUSTOMER ACQUISITION BY INDUSTRY



NEW CUSTOMER ACQUISITION BY REGION



The Group saw increased penetration of its software platform across new and existing clients from small and medium-sized enterprises to large global ones. Fiscal Year 2019 saw new merchant trials and customer acquisitions led by food, courier/messenger, services and e-commerce. The penetration within North America continues to accelerate with new customers across the region at 52% of the total. The company expects this trend to continue, while overall growth expands around the globe. Recent announcements regarding client expansions in the Middle East, Africa, Latin America and Asia Pacific are indicative of this momentum.

During Q3, the Group announced two strategic SaaS acquisitions in North America: DeliveryBizPro ("DBP") and Scheduling+ ("SP"). DBP is a subscription-based cloud service for businesses with scheduled, recurring product orders such as produce, meal-kit, farm-to-table, water and other home and commercial deliveries. DBP's platform gives delivery providers critical software tools to fulfill their customers' recurring delivery needs.

CEO & President review

SP combines staff scheduling, task management, time and attendance recordkeeping and payroll into one simple subscription-based cloud solution. This allows businesses of all sizes to reduce time spent on repetitive tasks and focus instead on human capital growth.

In addition to offering scheduling services to GetSwift clients, SP represents a tremendous global growth opportunity to automate the antiquated workforce scheduling market for small, medium and enterprise customers.

Instead of partnering with external providers for this function, we are now able to offer this as a comprehensive proprietary solution fully integrated with our existing product suite.

For some additional context about this opportunity, there are over 2 billion hourly paid workers and drivers globally and many employers are using outdated methods to manage their workforce. We believe the addressable market opportunity for our cloud-based scheduling software is very large and we believe the synergies between workforce scheduling and delivery management are quite attractive.

Over the course of the fiscal year, three independent non-executive directors resigned, one non-executive director retired, and three new non-executive directors were inducted to the board, including a new independent non-executive chair. On July 29, a fourth independent non-executive director was inducted. This transition attracted directors with considerable business experience in transportation, logistics, automotive, digital commerce, media and marketing to the board.

This board has already held multiple meetings, including a recent off-site at the firm's Denver Software Development Centre. The new directors are listed here:

Stanley Pierre-Louis is the Company's independent non-executive chair. He is the Chief Executive Officer of the Entertainment Software Association ("ESA"), the organization which represents the $43.4 billion U.S. video game industry in Washington, D.C. Before being named CEO, he served as Senior Vice President and General Counsel of ESA.

Prior to joining ESA, Mr Pierre-Louis served as Senior Vice President and Associate General Counsel for Intellectual Property ("IP") at Viacom Inc., where he was responsible for managing major IP litigation, developing strategies for protecting digital content and leading other IP-related legal initiatives for brands including Nickelodeon, MTV, Paramount Pictures, and more than 130 other networks worldwide. He previously served as co-chair of the Entertainment and Media Law Group at Kaye Scholer LLP in New York City as well as Senior Vice President for Legal Affairs at the Recording Industry Association of America in Washington, DC.

A Phi Beta Kappa graduate of Clark University, he earned his J.D. from the University of Chicago Law School, where he served on The University of Chicago Law Review's Board of Editors. Following law school, he clerked for Judge David A. Nelson of the U.S. Court of Appeals for the Sixth Circuit. Mr Pierre-Louis has served on several boards, including on the University of Chicago's Alumni Board of Governors, the law school's Visiting Committee, the Washington Area Lawyers for the Arts, and Lincoln Center Education, the educational arm of the Lincoln Center for the Performing Arts.

Marc Naidoo is a seasoned senior technology executive with global experience in managing IT systems and infrastructures in large geographically diverse companies. He also has significant experience in governance across large technology groups in senior management positions in Asia Pacific, Europe and Latin America.

Mr Naidoo is currently GM of Technology for Global Finance Transformation at Toll Group, which operates a global logistics network across 50 countries with over 40,000 employees that provides diverse freight transport services including road, rail, sea, air and warehousing.

Mr Naidoo's previous technology experience includes senior roles at NBN Australia's Broadband Network, BHP Billiton, Foxtel, and General Motors including acting as CIO of General Motors Acceptance Corporation Australia and New Zealand. Over his career, he has successfully delivered several digital transformations, Big Data initiatives and organizational transformations with a strong focus on the customer and operational stability.

Terrance White brings over 40 years of experience directing, advising and investing in private and public companies from early-stage tech start-ups to the Fortune 250, with extensive experience in international business development, sales management and marketing.

Mr White previously served for 30 years in successful leadership roles for NYSE publicly-listed Genuine Parts Company ("GPC"). His last 11 years at Genuine Parts were as President of its Rayloc Division. He was previously GPC's Vice President of Sales and Executive Vice President of NAPA, one of the world's best-known brands.

Over his career, he has been involved as an advisor, investor and/or board member for several US-based technology firms including NanoLumens, Interpoint Partners, DIS and Gauge Insights. Engaged in the Atlanta community through numerous memberships and affiliations, he serves on the Board of Trustees of Oglethorpe University and the Children's Healthcare Research Trust and is an active member of the Atlanta Rotary Club.

Carl Mogridge has over 15 years senior experience in marketing and advertising across a variety of sectors including insurance, cosmetics and property development.

He is currently Brisbane Director at The Property Agency, Australia's leading creative agency for property. He has previously held national positions at major global brands including Amway and Avon Cosmetics and lead many digital and eCommerce transitions across APAC and the US.

A frequent contributor for digital and entrepreneurial topics at business conferences and in digital media, Mr Mogridge brings insights across business development, strategy and customer experience. This multi-channel approach has guided him through a diverse range of brand and creative campaigns at local and global levels.

He received his Business Communications and Advertising degree from the University of Queensland.

As stated in last year's report, the Company continues to expend significant time and resources dealing with class action and regulatory matters. Details of the existing litigation defense and related regulatory inquiries were disclosed in the previously filed 4E report which is include herein.

The Group's goal remains to have best-in-class governance and seasoned business leaders with commercial experience to rapidly expand its growth and take advantage of global opportunities. The Group and management are committed to continuing to act in the best interests of shareholders to create long-term shareholder value.

Bane Hunter
CHIEF EXECUTIVE OFFICER

Joel Macdonald
PRESIDENT & MANAGING DIRECTOR

Directors' Report

The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the Group) consisting of GetSwift Limited (referred to hereafter as the Company) and the entities it controlled at the end of, or during, the year ended 30 June 2019.

Directors and company secretary

The following persons held office as directors of GetSwift Limited during the financial year:

Mr Stanley Pierre-Louis, *Independent Chairman & Independent Non-Executive Director*	*APPOINTED 31 MAY 2019*
Mr Marc Naidoo, *Independent Non-Executive Director*	*APPOINTED 2 APRIL 2019*
Mr Terrance White, *Independent Non-Executive Director*	*APPOINTED 3 MAY 2019*
Mr Bane Hunter, *Chief Executive Officer and Executive Director*	
Mr Joel Macdonald, President, *Managing Director and Executive Director*	
Mr Brett Eagle, *Non-Executive Director*	*RETIRED AT THE 2018 ANNUAL GENERAL MEETING, 29 NOVEMBER 2018*
Mr Michael Fricklas, *Independent Chairman & Independent Non-Executive Director*	*APPOINTED 26 APRIL 2018, RESIGNED 26 APRIL 2019*
Mr David Ryan, *Independent Non-Executive Director*	*APPOINTED 26 APRIL 2018, RESIGNED 26 APRIL 2019*
Ms Belinda Gibson, *Independent Non-Executive Director*	*APPOINTED 10 OCTOBER 2018, RESIGNED 26 APRIL 2019*

The following persons held office as company secretary of GetSwift Limited during the financial year:

Ms Sophie Karzis, *Company Secretary*	*APPOINTED 21 FEBRUARY 2018*

Principal activities

During the financial year the principal continuing activities of the Group is development and commercialisation of logistics software.

Dividends

No dividends or distributions were paid to shareholders during the year ended 30 June 2019 and no dividends or distributions have been recommended or declared for payment to members, but not paid, during the year ended 30 June 2019.

Directors' Report

Review of operations

Total revenue and other income for fiscal year ending 30 June 2019 was $3,820,085, an increase of 159 per cent compared to the previous fiscal year (2018: $1,477,213). Net loss after tax was $19,493,905 (2018: $12,123,208) of which a significant amount had been allocated for technology staff growth, enterprise integrations, R&D and platform enhancements.

The year featured four consecutive quarters of accelerating year-on-year growth in revenue and other income, reaching a pace of 249% in the three months through June.

GetSwift reported cash and cash equivalents of $68,809,011 and no outstanding debt.

During the fiscal year the Group grew its investments in technology, enterprise integrations and product development while it deepened its expansion into new regions and markets around the globe.

With its executive team in New York and its tech team leadership at the new Software Development Centre in Denver, the Group added a new tech development facility in Central Europe supporting Denver with software development, quality assurance and customer success functions for the EMEA region. Every three weeks, new enhancements are delivered to customers around the globe in a steady stream of new product features, sub-system improvements and service availability enhancements.

Both facilities saw further recruitment throughout the year, with 31 employees now in North America and 6 in Australia supported by 26 consulting engineers, developers and designers in Europe and Asia. The Group ended the fiscal year with improved regional customer coverage around the globe.

The Group saw increased penetration of its software platform with new and existing clients from small and medium enterprises to large global ones. FY2019 saw new merchant trials and customer acquisitions across six continents. The penetration within North America continues to accelerate with new US customers representing 58% of the total - almost three times the strong 21% from Australia. Media coverage of clients in North America, Australia and the Middle East underscore the importance of the Group's software and support teams to the daily business and future plans of its customers.

During Q3, the Group announced two strategic SaaS acquisitions in North America: Delivery BIZ Pro and Scheduling+. Delivery BIZ Pro ("DBP") is a subscription-based cloud service for businesses with recurring product orders particularly within the produce, meal-kit, farm-to-table, water, home and commercial delivery sectors. DBP's platform brings together key components that allow recurring delivery industry sectors to employ the best methodology for their logistics fulfillment.

Scheduling+ ("SP") combines staff scheduling, task management, time and attendance recordkeeping, and payroll into one simple subscription-based cloud solution. This allows businesses of all sizes to reduce time spent on repetitive tasks and focus instead on human capital growth.

The addition of DBP to the GSW group has lowered the technology barrier for farmers of all sizes to succeed in the growing farm to table phenomenon – whether in scheduled home deliveries of fresh produce or daily supplies to local-food conscious restaurants.

Also in the year, three independent non-executive directors resigned, one non-executive director retired, and three new non-executive directors were inducted to the board, including a new independent non-executive chair. On July 29, a fourth independent non-executive director was inducted to the board. This transition attracted directors with considerable business experience in transportation, logistics, automotive, digital commerce and entertainment to the new board. (See *Information on directors and company secretary below*)

The Group's goal remains to have best-in-class governance and seasoned business leaders with commercial experience to help the Company rapidly expand its growth and take advantage of global opportunities. The Group and management are committed to continuing to act in the best interests of shareholders to create long-term shareholder value.

Financial results and position

The Group reported a loss for the full year ended 30 June 2019 of $19,493,905 (2018: $12,123,208). The loss is after fully expensing all research and development costs.

The Group's net assets stand at $74,031,233 (2018: $92,828,969). As at 30 June 2019 the Group had cash and cash equivalents of $68,809,011 (2018: $96,720,397, including term deposits).

Significant changes in the state of affairs

The Company has been the subject of shareholder class action litigation and an ASIC investigation, which has filed civil penalty proceedings. These are ongoing at the date of this report. Please refer to "Regulatory Risks" and "Litigation", below in this Directors' Report.

On 20 February 2019, the Company announced acquisition of the North American delivery management platform Delivery BIZ Pro and the acquisition of workforce scheduling provider, Scheduling+

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

Events since the end of the financial year

No other matter or circumstance has arisen since 30 June 2018 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Likely developments and expected results of operations

In financial year 2020, the Group plans to continue building its cloud-based architecture and its feature offerings to provide customers more support in the last-mile.

As it grows its customer base, the Group will continue to explore and address emerging needs for its customers. For example, the Group acquired two software platforms during the fiscal year. DeliveryBizPro manages pre-scheduled deliveries such as inventory replenishment and the farm-to-table market. Scheduling+ provides scheduling and payroll management for part-time workers including delivery personnel.

The Group continues to seek the most capital efficient manner to gain market share, increase its utilization by customers, and grow its revenue. The Group will continue to assess capital allocation by weighing options that include online sales, outbound sales, partnerships and acquisitions.

The Group is an emerging growth company in the investment stage of its development. As noted above, to support its growth, it will be making significant investments in research and development, sales and marketing, staffing necessary to support and integrate new customers, and the enhancement of its reporting and control environment. As with most groups in this phase of development, these investments carry a high degree of risk. Further, the Group has incurred and expects to continue to incur significant legal expense associated with shareholder class actions and an investigation by ASIC and cannot predict with any certainty what the ultimate costs of these matters will be. Consequently, the Group cannot forecast when it will achieve profitability.

Environmental regulation

The Group is not affected by any significant environmental regulation in respect of its operations.

Directors' Report

Information on directors and company secretary

Mr Stanley Pierre-Louis	Independent Non-Executive Director and Independent Chairman (Appointed 31 May 2019)
EXPERIENCE, EXPERTISE & QUALIFICATIONS	Stanley Pierre-Louis brings over 23 years of experience leading, advising and governing private and public companies with a focus on technology and intellectual property issues. Mr Pierre-Louis currently serves as Chief Executive Officer of the Entertainment Software Association (ESA) based in Washington, D.C. ESA is dedicated to serving the business and public affairs needs of companies that publish computer and video games for the Internet, personal computers, consoles, and handheld devices. He previously served as Senior Vice President and General Counsel of ESA. Prior to joining ESA, Pierre-Louis served as Senior Vice President and Associate General Counsel for Intellectual Property (IP) at Viacom Inc., where he was responsible for managing major IP litigation, developing strategies for protecting digital content and leading other IP-related legal initiatives for brands including Nickelodeon, MTV, Paramount Pictures, and more than 130 other networks worldwide. He previously served as co-chair of the Entertainment and Media Law Group at Kaye Scholer LLP in New York City as well as Senior Vice President for Legal Affairs at the Recording Industry Association of America in Washington, DC. Mr Pierre-Louis is a Phi Beta Kappa graduate of Clark University. He earned his J.D. from the University of Chicago Law School, where he also served on The University of Chicago Law Review's Board of Editors. Following law school, he clerked for Judge David A. Nelson of the U.S. Court of Appeals for the Sixth Circuit. Pierre-Louis served previously on several boards, including on the University of Chicago's Alumni Board of Governors, the law school's Visiting Committee, the Washington Area Lawyers for the Arts, and Lincoln Center Education, the educational arm of the Lincoln Center for the Performing Arts.
OTHER CURRENT DIRECTORSHIPS	None
FORMER DIRECTORSHIPS IN LAST 3 YEARS OF ENTITIES LISTED IN AUSTRALIA	None
SPECIAL RESPONSIBILITIES	Chair Remuneration and Nomination Committee - (from 2 August 2019)

Mr Marc Naidoo	Independent Non-Executive Director (Appointed 2 April 2019)
EXPERIENCE, EXPERTISE & QUALIFICATIONS	Marc Naidoo is a seasoned senior technology executive with global experience in managing IT systems and infrastructures in large geographically diverse companies. He also has significant experience in governance across large technology groups in senior management positions in Asia Pacific, Europe, and Latin America. Mr Naidoo is currently GM of Technology for Global Finance Transformation at Toll Group, which operates a global logistics network across 50 countries with over 40,000 employees that provides diverse freight transport services including road, rail, sea, air, and warehousing. Mr Naidoo's previous technology experience includes senior roles at NBN Australia's Broadband Network, BHP Billiton, Foxtel, and General Motors including acting as CIO of General Motors Acceptance Corporation Australia and New Zealand. Over his career, he has successfully delivered several digital transformations, Big Data initiatives and organizational transformations with a strong focus on the customer and operational stability.
OTHER CURRENT DIRECTORSHIPS OF LISTED ENTITIES	None
FORMER DIRECTORSHIPS IN LAST 3 YEARS OF ENTITIES LISTED IN AUSTRALIA	None
SPECIAL RESPONSIBILITIES	Member Remuneration and Nomination Committee, Member Audit and Risk Committee - (from 2 August 2019)

Information on directors and company secretary - *CONTINUED*

Mr Terrance White	Independent Non-Executive Director (Appointed 3 May 2019)
EXPERIENCE, EXPERTISE & QUALIFICATIONS	Terrance White brings over 40 years of experience directing, advising and investing in private and public companies from early-stage tech start-ups to the Fortune 250, with extensive experience in international business development, sales management, and marketing. Mr White previously served for 30 years in successful leadership roles for NYSE publicly listed Genuine Parts Company (GPC). His last 11 years at Genuine Parts were as President of its Rayloc Division. He was previously GPC's Vice President of Sales and Executive Vice President of NAPA, one of the world's best-known brands. Over his career, he has been involved as an advisor, investor and/or board member for several US-based technology firms including NanoLumens, Interpoint Partners, DIS, and Gauge Insights. Engaged in the Atlanta community through numerous memberships and affiliations, he serves on the Board of Trustees of Oglethorpe University and the Children's Healthcare Research Trust and is an active member of the Atlanta Rotary Club.
OTHER CURRENT DIRECTORSHIPS OF LISTED ENTITIES	None
FORMER DIRECTORSHIPS IN LAST 3 YEARS OF ENTITIES LISTED IN AUSTRALIA	None
SPECIAL RESPONSIBILITIES	Chair Audit and Risk Committee - (from 2 August 2019)

Mr Carl Mogridge	Independent Non-Executive Director (Appointed 29 July 2019)
EXPERIENCE, EXPERTISE & QUALIFICATIONS	Carl Mogridge has over 15 years senior experience in marketing and advertising across a variety of sectors including insurance, cosmetics and property development. He is currently Brisbane Director at The Property Agency, Australia's leading creative agency for property. He has previously held national positions at major global brands including Amway and Avon Cosmetics and lead many digital and eCommerce transitions across APAC and US. A frequent contributor for digital and entrepreneurial topics at business conferences and in digital media, Mr Mogridge brings insights across business development, strategy and customer experience. This multi-channel approach has guided him through a diverse range of brand and creative campaigns at local and global levels. He received his Business Communications and Advertising degree from the University of Queensland.
OTHER CURRENT DIRECTORSHIPS OF LISTED ENTITIES	None
FORMER DIRECTORSHIPS IN LAST 3 YEARS OF ENTITIES LISTED IN AUSTRALIA	None
SPECIAL RESPONSIBILITIES	None

Information on directors and company secretary - *CONTINUED*

Mr Bane Hunter	Chief Executive Officer and Executive Director (Appointed director 13 May 2016)
EXPERIENCE, EXPERTISE & QUALIFICATIONS	Bane Hunter is a global executive with over 20 years' experience in media and financial services. Bane's experience includes Chief Product Officer at A+E Television Networks, Senior Executive Director at Conde Nast in New York, Foxtel Head of Information Services Program delivery in Sydney and Chief Project Officer at MTV/Viacom in New York. He developed the framework and coined the phrase "GEMS" - Growth, Execution, Monetization and Strategy, these being pillars of the new rapidly growing digital economy. As a leader and visionary in the digital product and monetization space with an eye on disruptive emerging technologies, Mr Hunter's other notable senior leadership roles include President, Global Growth & Strategy and board member of BlueChilli, CEO of The Loop and advisor to a number of companies such as Cool Hunting, Travel Massive and Splitsville. In addition to his MBA degree, Mr Hunter holds PMP, SPL, ITIL and CSM certifications and is fluent in a number of languages. Uniquely positioned, he has worked extensively in Australia, the US and Europe, with additional high-level project work in Asia enabling him to be fully versed in the dynamics needed to seamlessly build high-growth profitable global organisations. Mr Hunter is an executive of the Company and not an independent director. He was executive chairman of the Company prior to 26 April 2018, when he assumed the title of Chief Executive Officer.
OTHER CURRENT DIRECTORSHIPS OF LISTED ENTITIES	None
FORMER DIRECTORSHIPS IN LAST 3 YEARS OF ENTITIES LISTED IN AUSTRALIA	None
SPECIAL RESPONSIBILITIES	None

Mr Joel Macdonald	President, Managing Director and Executive Director (Appointed director 6 March 2015)
EXPERIENCE, EXPERTISE & QUALIFICATIONS	Joel Macdonald is an ex-professional AFL athlete with extensive commercial experience in product, growth and marketing. Joel has an extensive track record of innovating and disrupting the market with other distinguished companies. He co-founded one of Australia's first alcohol e-commerce platforms, Liquorun.com, and was also a founder with on-demand logistics company Distributed Logistics Pty Limited and hospitality payment platform Zwype.com. Joel's other entrepreneurial initiatives included managing the US real estate investment company American Real Estate Investments. He completed a Bachelor of Business degree at Monash University whilst competing professionally in the AFL for 11 years. Joel assumed the title of President on 26 April 2018 and remains as the Company's Managing Director. Joel is an executive of the Company and not an independent director.
OTHER CURRENT DIRECTORSHIPS OF LISTED ENTITIES	None
FORMER DIRECTORSHIPS IN LAST 3 YEARS OF ENTITIES LISTED IN AUSTRALIA	None
SPECIAL RESPONSIBILITIES	None

Ms Sophie Karzis	Company Secretary (Appointed 21 February 2018)
EXPERIENCE, EXPERTISE & QUALIFICATIONS	Sophie Karzis is a practising lawyer with over 20 years' experience as a corporate and commercial lawyer. She is the principal of the law firm Corporate Counsel Pty Ltd, which she founded in 2004 and which is now part of BoardRoom Australia. Ms Karzis has considerable expertise in providing corporate governance advice to ASX listed entities, and currently acts as company secretary and in-house counsel for a number of companies listed on the ASX. Ms Karzis holds a B.Juris LLB degree from Monash University.

Former directors

Mr Michael Fricklas	Independent Non-Executive Director and Independent Chairman (Appointed 26 April 2018, resigned 26 April 2019)
EXPERIENCE, EXPERTISE & QUALIFICATIONS	Michael Fricklas is the Chief Legal Officer of Advance Publications, a diversified privately-held company that operates and invests in a broad range of media, communications and technology businesses globally. The operating businesses of Advance employ over 12,000 people in over a dozen countries and include: Condé Nast's global magazine and digital brand portfolio, Advance Local, a local news and information publisher of 30 newspapers and 12 digital properties in the US, American City Business Journals, a business information and events company, 1010data, a provider of data insights and enterprise analytics solutions, and POP, a digital marketing agency. Advance is also one of the largest shareholders in Charter Communications, the second largest cable television and internet operator in the United States, and Discovery, Inc., a portfolio of premium nonfiction, lifestyle, sports and kids programming brands; and Reddit, a social news and interest forum. Previously, Michael was Executive Vice President, General Counsel and Secretary of Viacom. He joined Viacom in 1993 and became its General Counsel and Secretary in 1998. At Viacom he led dozens of M&A and capital raising transactions aggregating tens of billions of dollars. He also successfully handled a number of significant litigations, including litigation involving corporate governance, securities law and antitrust matters, some of which made class action claims. As General Counsel and Secretary to the Board of Directors, he was responsible for Viacom's governance and legal matters. In addition, at various times during his employment with Viacom, his responsibilities included management of technology, real estate, risk management and compliance matters with significant involvement in government affairs and served as a member of the Board of Directors of Blockbuster Entertainment, a publicly traded subsidiary of Viacom. He created Viacom's cybersecurity governance program as well as initiated and managed privacy and antipiracy operations. Prior to that he was Vice President and General Counsel of Minorco (U.S.A.) Inc.; practised securities and mergers and acquisitions law at Shearman & Sterling; and practiced technology and venture capital finance law at a predecessor firm of DLA Piper. Mr. Fricklas is a Senior Fellow at the Millstein Center for Global Markets and Corporate Ownership at Columbia University's Law School, Member of the Board and Secretary of Jazz at Lincoln Center, a member of the Board of Overseers of Boston University and a former president of the Association of General Counsel. Michael holds a J.D. from Boston University School of Law (1984, magna cum laude) and a B.S.E.E. from University of Colorado (1981). Michael provided consulting services to the Company on governance related and various organisational matters prior to his appointment to the Board. The Board does not consider this affects the independence of Michael as a director, given the nature and extent of the services provided and that these services ceased prior to his appointment as a director.
OTHER CURRENT DIRECTORSHIPS	None
FORMER DIRECTORSHIPS IN LAST 3 YEARS OF ENTITIES LISTED IN AUSTRALIA	None
SPECIAL RESPONSIBILITIES	Chair Remuneration and Nomination Committee, Member Audit and Risk Committee

Former directors - *CONTINUED*

Mr David Ryan	Independent Non-Executive Director (Appointed 26 April 2018, resigned 26 April 2019)
EXPERIENCE, EXPERTISE & QUALIFICATIONS	David Ryan AO has over 40 years of experience in commercial banking, investment banking and operational business management. He has previously held roles as Chairman or a Non-Executive Director of a number of listed public companies (including ASX 50 companies), including being the former Chairman of Transurban Group and retiring in November 2017 from his role as Non-Executive Director of Lendlease Corporation Limited, where David was the Chairman of the Risk Management and Audit Committee over the last decade. David holds a Bachelor of Business from the University of Technology, Sydney and is a Fellow of the Australian Institute of Company Directors and of CPA Australia. David was made available to act as a consultant to the Company prior to his appointment to the Board, providing governance related services through Ryvan Pty Limited. The Board does not consider this affects the independence of David as a director, given the nature and extent of the services provided and that these services ceased prior to his appointment as a director.
OTHER CURRENT DIRECTORSHIPS	• Non-Executive Director of GTN Ltd (18 April 2016 to present) • Non-Executive Director of First American Title Insurance Company of Australia Proprietary Ltd. (February 2016 to present)
FORMER DIRECTORSHIPS IN LAST 3 YEARS OF ENTITIES LISTED IN AUSTRALIA	Non-Executive Director of Lendlease Corporation Limited (December 2004 to November 2017)
SPECIAL RESPONSIBILITIES	Chair Audit & Risk Committee, Member Remuneration and Nomination Committee

Ms Belinda Gibson	Independent Non-Executive Director (Appointed 10 October 2018, resigned 26 April 2019)
EXPERIENCE, EXPERTISE & QUALIFICATIONS	Ms Gibson's distinguished career spans private and public service. She was a corporate law partner at law firm Mallesons Stephen Jaques for 20 years before becoming a Commissioner and then Deputy Chair of ASIC from 2007 to 2013. She is presently a director of Brisbane Airport Corporation, Ausgrid, Citigroup Pty Ltd (Citi's Australian retail bank arm) and Thorn Group. In the past she has served as a director of Airservices Australia and The Sir Robert Menzies Memorial Foundation. She is presently a Trustee of The Australian Museum and the Lizard Island Reef Research Foundation. She is a Member of the Chief Executive Women and chaired the CEW Scholarship Committee. She is a Fellow of the Australian Institute of Company Directors and a Fellow of the Governance Institute of Australia. Ms. Gibson has a Bachelor of Economics and Laws from The University of Sydney and a Master of Laws from The University of Cambridge. Belinda was a consultant to the Company prior to her appointment to the Board, providing governance related services. The Board does not consider this affects the independence of Belinda as a director, given the nature and extent of the services provided and that these services ceased prior to her appointment as a director.
OTHER CURRENT DIRECTORSHIPS	• Non-Executive Director of Brisbane Airport Corporation • Non-Executive Director of Ausgrid • Non-Executive Director of Citigroup Pty Ltd • Non-Executive Director of Thorn Group
FORMER DIRECTORSHIPS IN LAST 3 YEARS OF ENTITIES LISTED IN AUSTRALIA	
SPECIAL RESPONSIBILITIES	Member Remuneration and Nomination Committee and Audit and Risk Committee

Former directors - *CONTINUED*

Mr Brett Eagle	Non-Executive Director, Non-independent (Appointed director 24 September 2016, retired at the 2018 annual general meeting, 29 November 2018)
EXPERIENCE, EXPERTISE & QUALIFICATIONS	Brett Eagle is admitted as an attorney in New York, US and as a solicitor in New South Wales, Australia. Before moving back to Sydney, Brett worked for many years in New York, US, with Coudert Brothers LLP, a large international law firm, conducting public and private offerings, both debt and equity. Prior to that Brett was based in Berlin, Germany with the same law firm. He has extensive experience providing top-level global and domestic legal services to emerging growth and mid-stage companies as well as to larger, publicly held multinational corporations. The Board does not consider Brett an independent director in light of the provision of legal and advisory services to the Company through Eagle Corporate Advisers Pty Limited, a company owned by Brett. In particular, Brett acted as General Counsel & Corporate Affairs until 21 August 2018. Brett retired by rotation under the Constitution at the Company's 2018 annual general meeting 29 November 2018 and did not seek re-election.
OTHER CURRENT DIRECTORSHIPS	• Director of Sentral Energy, Ltd., a U.S.-based business that was formed to own and operate contracted solar and other clean energy assets in India. • Director of Eagle Corporate Advisers Pty Ltd, an incorporated legal practice
FORMER DIRECTORSHIPS IN LAST 3 YEARS OF ENTITIES LISTED IN AUSTRALIA	None
SPECIAL RESPONSIBILITIES	Member Remuneration and Nomination Committee

Meetings of directors

The numbers of meetings of the Group's Board of Directors held during the year ended 30 June 2019, and the numbers of meetings attended by each director were as follows:

DIRECTORS	BOARD OF DIRECTORS MEETINGS	
	NO. OF MEETINGS ELIGIBLE TO ATTEND	ATTENDED
Michael Fricklas[1]	12	12
Stanley Pierre-Louis[2]	1	1
Brett Eagle[3]	6	5
Bane Hunter	14	14
Joel Macdonald	14	14
David Ryan[1]	12	11
Belinda Gibson[4]	7	6
Marc Naidoo[5]	2	2
Terrance White[6]	1	1
Carl Mogridge[7]	-	-

1 *Appointed 26 April 2018, resigned 26 April 2019.*
2 *Appointed 31 May 2019*
3 *Appointed 24 September 2016, retired 29 November 2018.*
4 *Appointed 10 October 2018, resigned 26 April 2019.*
5 *Appointed 2 April 2019*
6 *Appointed 3 May 2019*
7 *Appointed 29 July 2019*

Remuneration report

The Remuneration Report for the year ended 30 June 2019, which has been audited, outlines the key management personnel remuneration arrangements for the Group, in accordance with the requirements of the *Corporations Act 2001* (Cth) and the *Corporations Regulations 2001* (Cth).

This report is presented under the following sections:

(a) Key management personnel covered in this report

(b) Response to first strike and changes for FY19

(c) Remuneration philosophy and policy

(d) Short- and long-term incentives
  a. ESOP
  b. Director options
  c. Proposed director options
  d. Performance rights

(e) Details of remuneration
  a. Remuneration expense
  b. Share holdings
  c. Option holdings
  d. Performance rights issue

(f) Contractual arrangements with executive KMPs

(g) Non-executive director arrangements

(h) Related party arrangements

(a) Key management personnel covered in this report

Key management personnel (**KMP**) of the Group are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Group, directly or indirectly, including any director (whether executive or otherwise) of the Group.

The KMP of the Group consisted of the following directors of GetSwift Limited covered in this report:

Non-executive directors

Mr Stanley Pierre-Louis	Independent Chairman and Independent Non-Executive Director (appointed 31 May 2019)
Mr Charles Terrance White	Independent Non-Executive Director (appointed 3 May 2019)
Mr Marc Naidoo	Independent Non-Executive Director (appointed 2 April 2019)
Mr Brett Eagle	Non-Executive Director (retired at the 2018 annual general meeting on 29 November 2018)
Mr Michael Fricklas	Independent Chairman & Independent Non-Executive Director (appointed 26 April 2018, resigned 26 April 2019)
Mr David Ryan	Independent Non-Executive Director (appointed 26 April 2018, resigned 26 April 2019)
Ms Belinda Gibson	Independent Non-Executive Director (appointed 10 October 2018, resigned 26 April 2019)

Executive directors

Mr Bane Hunter	Chief Executive Officer and Executive Director
Mr Joel Macdonald	President, Managing Director and Executive Director

KMP changes after 30 June 2019

The following change to KMP of the Group has been announced and will be effective in FY20:

- Mr Carl Mogridge was appointed as an Independent Non-Executive Director effective 29 July 2019.

(b) Response to first strike and changes for FY19

Since incurring a 'first strike', the Company has engaged extensively with stakeholders to understand their concerns.

The table below sets out a summary of the Board's responses to the key issues raised by some shareholders regarding the 2018 Remuneration Report and changes to the Company's remuneration arrangements following review of the Company's remuneration structures.

ISSUE	CHANGES FOR FY19
Shareholders expressed concern that the company was expending too much time and energy on governance issues at the expense of the business of the firm.	The company has doubled its efforts to focus on the business while aggressively defending litigation commenced before the Australian courts. The period's results show significant progress in terms of revenue growth of the Company while accommodating the costs of litigation challenges.
Shareholders expressed dissatisfaction with the performance of a certain member of the Company's board.	Three of the Company's non-executive directors departed and three new non-executive directors were appointed. An additional non-executive director was appointed the following month. These new appointments bring considerable business experience to the Company's board of directors across a range of industries including transportation, logistics, automotive, digital commerce and media.

(c) Remuneration philosophy and policy

Overview

The remuneration policy of the Group has been designed to align executives' and directors' interests with the shareholder and business objectives by providing a fixed remuneration component and offering long term incentives based on key performance areas of the Group such as client acquisition, transaction and revenue growth.

The Board of the Group believes the remuneration policy to be appropriate to attract and retain the best executives and directors to run and manage the Group globally, as well as create goal congruence between directors, executives and shareholders.

The Board's policy for determining the nature and amount of remuneration for senior executives of the Group (including executive directors) is as follows:

- All executives receive a base salary (which is based on factors such as length of service and experience), superannuation, fringe benefits and, generally, performance incentives; and
- The Board reviews executive packages annually by reference to the Group's performance, executive performance and comparable information.

Remuneration policy for non-executive directors is discussed further below.

The Board established a Remuneration and Nomination Committee in July 2018 with two independent non-executive directors, Michael Fricklas and David Ryan, in accordance with the Remuneration and Nomination Committee Charter. A revised Remuneration and Nomination Committee Charter was adopted on 10 October 2018 (as announced to the market on 16 October 2018). The committee was subsequently expanded to comprise three independent non-executive directors, Michael Fricklas, David Ryan and Belinda Gibson. Each of the three independent non-executive directors resigned from the Board effective 26 April 2019, vacating their appointments to the Remuneration and Nomination Committee. The Board appointed two independent directors, Stanley Pierre-Louis and Marc Naidoo in August 2019.

Remuneration report - *CONTINUED*

(c) Remuneration philosophy and policy - *CONTINUED*

***Overview** - CONTINUED*

Before the Remuneration and Nomination Committee was established, the roles and responsibilities of such a committee were undertaken by a panel of two board members, one of them independent, and the staff heads of operations and human resources/administration with support from an external consultant. The establishment of the Remuneration and Nomination Committee came as a part of the Group investing in its governance, with the appointment of two independent, non-executive directors to the Board in April 2018. Its role includes assisting the Board in fulfilling its responsibilities regarding remuneration of directors and senior executives fairly and appropriately.

The role of the committee is discussed further below.

Relationship between remuneration policy and company performance

The remuneration policy relates to the Group’s performance by recognising that the Group is developing and monetising its platforms.

As is the case with technology companies, there is a strong weighting towards performance based remuneration. The remuneration policy aims to ensure reward for performance is competitive and appropriate for the results delivered. This is important for the business model and to retain staff in the industry.

The Company has had a history of relying on performance-based incentives as part of the remuneration of KMP to improve the performance of the Company, including issuing options under the Employee and Executive Share Ownership Plan (**ESOP**) to KMP, paying short-term incentive bonuses to executive KMPs and issuing performance rights. During the year ending 30 June 2019, the Company paid short-term incentive bonuses to executive KMPs and performance rights vested. No options were issued to executives who form part of the KMP.

By tying the timing that performance rights vest to metrics such as delivery targets and revenue earned, KMP remuneration is aligned with the creation of value for shareholders and driving higher Company earnings.

The following targets have been achieved in respect of 4 classes of the performance rights on issue:

- Class A: Achievement of 250,000 deliveries in a calendar month. Achieved in July 2017.
- Class B: Achievement of 375,000 deliveries in a calendar month. Achieved in September 2017.
- Class C: Achievement of 750,000 deliveries in a calendar month. Achieved in November 2018.
- Class D: Achievement of Company revenue of $5 million in a full financial year or $1.25 million in any 3-month period ending on 31 March, 30 June, 31 October, or 31 December. Achieved in June 2019.

Remuneration for KMP during the financial year ending 30 June 2019 included the issue of options to focus on share price metrics.

The Group does not pay dividends and no capital return has been made to the Company’s shareholders since listing in December 2016.

Remuneration of non-executive directors

Historically since listing, non-executive directors of the Company have received a combination of cash fees and incentives. The initial cash fee pool at listing was $52,560. The initial cash fee pool was increased to $1,500,000 per annum at the Company’s extraordinary general meeting of 31 August 2018 to provide flexibility to retain further non-executive directors and with sufficient headroom to remunerate them in currencies other than Australian dollars.

It is intended that the independent non-executive directors, Stanley Pierre-Louis and Charles Terrance White (appointed in May 2019) and Marc Naidoo (appointed in April 2019), will be offered options as part or all of their remuneration. The offer of these options is subject to shareholder approval at the annual general meeting on 27 November 2019.

(c) Remuneration philosophy and policy - *CONTINUED*

Remuneration of non-executive directors - *CONTINUED*

The opportunity to offer options means that the Company has an increased ability to attract non-executive directors. In particular, the Board has been able to attract US based Chairman Stanley Pierre-Louis by being able to offer options (subject to shareholder approval), consistent with US market practice for emerging growth companies of offering equity to non-executive directors. The nature and terms of the option proposals have been adjusted to reflect Australian regulatory issues.

Non-executive directors Charles Terrance White and Marc Naidoo will, subject to shareholder approval, be offered options on the same terms as those in respect of Stanley Pierre-Louis.

In accordance with commentary in the ASX Corporate Governance Council Principles and Recommendations, the options to be offered to Stanley Pierre-Louis, Charles Terrance White and Marc Naidoo will not have performance hurdles. Instead, the options will vest over time, unless vesting is accelerated in connection with change of control or liquidity events, or the options lapse, in accordance with their terms.

All three non-executive directors will also be receiving director's fees.

The details of the packages for Charles Terrance White, Stanley Pierre-Louis and Marc Naidoo are discussed further below at (f) *Non-executive director arrangements*.

Any future offers of options to non-executive directors will require further shareholder approval.

Remuneration and Nomination Committee

The Remuneration and Nomination Committee Charter requires that the Remuneration and Nomination Committee comprise a minimum of two members. Currently, the Remuneration and Nomination Committee comprises Stanley Pierre-Louis (Committee Chairman) and Marc Naidoo, and the Remuneration and Nomination Committee Charter contemplates expansion of the committee to three members, all of whom must be independent directors.

The role of the Remuneration and Nomination Committee is to support and advise the Board in fulfilling its responsibilities to shareholders and employees of the Company by:

- remunerating the directors, the Chief Executive Officer and Senior Executives (as defined in the Charter of the Board adopted by the Company on 10 October 2018 (**Charter**)) of the Group fairly and appropriately;
- implementing remuneration policies and outcomes of the Group which strike an appropriate balance between the interests of the Company's shareholders, and rewarding and motivating the executives and employees in order to secure the long term benefits of their energy and loyalty;
- establishing short and long term incentives which are challenging and linked to the creation of sustainable shareholder returns;
- reviewing and advising the Board on the composition of the Board and its committees (if any) and the necessary and desirable competencies of Board members; and
- designing proper succession plans for Board members and the Chief Executive Officer for consideration by the Board as well as reviewing succession plans for other direct reports of the Chief Executive Officer.

The Remuneration and Nomination Committee also reviews and makes recommendation to the Board about (where applicable):

- the terms of remuneration for the executive and non-executive directors, the Chief Executive Officer (as defined in the Charter) and the other Senior Executives (as defined in the Charter) from time to time;
- material changes in material remuneration, recruitment, retention and termination policies and practices;
- compliance with relevant legal and regulatory requirements in relation to any such remuneration, equity plans and termination benefits, including obtaining any shareholder approvals which are necessary;
- the disclosure of remuneration strategies, policies and practices within the Group and, if necessary, to the Australian Securities Exchange and other regulatory authorities;
- the preparation and approval of the remuneration report to be included in the annual report in accordance with the *Corporations Act 2001* (Cth); and
- whether there is any gender or other inappropriate bias in remuneration for directors, Senior Executives (as defined in the Charter) or other employees.

Remuneration report - *CONTINUED*

(c) Remuneration philosophy and policy - *CONTINUED*

Use of remuneration consultant

Mercer (US), Inc. (**Mercer**) was engaged by the Chairman of the Board of the Company as its remuneration consultant on 14 January 2019. Mercer provided a remuneration recommendation in relation to the executive KMP of the Company (being Bane Hunter and Joel MacDonald) for an engagement fee of US$64,000. Mercer has not been engaged by the Company to provide any other advice to the Company or its related bodies corporate during the reporting period.

The Board took a number of steps to ensure that the remuneration recommendation provided by Mercer would be free from undue influence by the members of the KMP to whom the recommendation related to. This included ensuring that:

- the instructions to Mercer were given by Michael Fricklas, the independent non-executive chairman, at the time;
- Mr Fricklas received Mercer's remuneration report in preparation for consideration by the Remuneration and Nomination Committee and made details about Mercer's recommendations available to non-executive directors on the committee; and
- neither Bane Hunter nor Joel MacDonald were present during the portion of the meeting during which the Board discussed their remuneration, but portions of Mercer's recommendations relating to the remuneration of non-executive directors and direct reports of the Chief Executive Officer were made available to Mr. Hunter.

Accordingly, the Board is satisfied that the remuneration recommendation was made free from undue influence by the members of the KMP to whom the recommendation related to.

(d) Short- and long-term incentives

Group leadership is aligned to the growth and the success of the Group through options (including under the ESOP) and through performance rights. Discretionary cash bonuses may also be paid from time to time.

As at date of this report, the executive KMP options have been issued outside of the ESOP. KMP currently participate in other incentives through specific option grants, performance rights and discretionary cash bonuses.

Certain KMP were issued with options in the period prior to them becoming KMP. Details relating to these issues are discussed further below at (g) *Related party arrangements*.

ESOP

The ESOP has a structure whereby, unless otherwise specified in the invitation, 25% of the granted options vest on the one-year anniversary of the employment commencement date. The remaining 75% vest on a monthly basis over the subsequent three-year period after the one-year anniversary date. These options are valid for a 15-year period following vesting, unless otherwise specified by the Board. Vesting may accelerate in circumstances including a change of control.

The holders have no right to participate in a new issue of shares unless the relevant option has been exercised before the record date for entitlements. If there is a reorganisation of issued capital of the Company before the expiry date, the number of options to which the holder is entitled or the exercise price will be reconstructed in accordance with the ASX Listing Rules.

The ESOP contemplates the issue of a variety of awards, including options, restricted shares or other equity including incentive rights.

The ESOP was approved by shareholders of the Company on 9 August 2017. (The terms of the ESOP were set out in the notice of meeting dated 28 June 2017, distributed in respect of that meeting.)

Remuneration report - *CONTINUED*

(d) Short- and long-term incentives - *CONTINUED*

Director Options

Options were approved by shareholders on 31 August 2018 and 29 November 2018 for issue to directors, which vest equally quarterly over 36 months (subject to acceleration in accordance with their terms) and had expiry dates on 19 September 2028 (for Michael Fricklas and David Ryan) and 14 December 2028 (for Belinda Gibson), at exercise prices of $0.408 for Mr Fricklas and Mr Ryan and $0.439 for Ms Gibson. At the date of this report, Michael Fricklas, David Ryan and Belinda Gibson have resigned as directors of the Company and all unvested options issued to them lapsed on the respective dates of their resignations.

The issue and exercise of the options was expressed to be subject to all requirements of the ASX Listing Rules and all other legal and regulatory requirements including approval of the issue by shareholders.

Proposed Director Options

Subject to the approval of shareholders at an annual general meeting to be held on 26 November 2019, options will be offered to recently appointed Independent Chairman and independent non-executive director, Stanley Pierre-Louis (or his nominee), and independent non-executive directors, Charles Terrance White and Marc Naidoo (or their nominees). See (g) *Non-executive director arrangements for further details*.

If the options are not approved in respect of Stanley Pierre-Louis, Charles Terrance White or Marc Naidoo, and that person wishes to continue as a director, the Company will need to revisit the remuneration of that director.

Each option issued to Michael Fricklas, David Ryan and Belinda Gibson, and to be issued to Stanley Pierre-Louis, Charles Terrance White and Marc Naidoo, convert on exercise into a fully paid ordinary share in the capital of the Company. Other key terms include:

- The options were issued for no consideration.
- The options are transferable with consent of the Company.
- The options can be net exercised or exercised on a cashless basis.
- The holder has no right to participate in a new issue of shares unless the relevant right has vested. If there is a reorganisation of issued capital of the Company before the expiry date, the number of shares to which the holder is entitled on vesting will be reconstructed in accordance with the ASX Listing Rules.
- All unvested options lapse on cessation of the engagement by the director or the Company (if the director ceases to be a director but continues to be engaged by the Company, lapsing will occur when this engagement ceases). Lapsing of vested options occurs 12 months following cessation of the engagement (or 3 months after cessation for cause).
- Vesting will accelerate on a change of control, being the occurrence of the earliest of:
  - › the acquisition by an individual, entity or group (together with its associates, if applicable) of a relevant interest in issued shares of the Company such that the voting power in the Company or someone else increases so that they hold voting power in at least 50% of all issued shares of the Company (other than a scheme of arrangement);
  - › a scheme of arrangement as a result of which an individual, entity or group who were shareholders of the Company immediately prior to such scheme do not, immediately after the scheme, own (directly or indirectly) at least 50% of the voting power in respect of issued shares in the Company entitled to vote generally in the election of directors of the merged or consolidated body corporate;
  - › a transaction as a result of which an individual, entity or group (together with its associates, if applicable) is able to control the appointment of at least 50% of the Board (other than pursuant to a scheme of arrangement or a takeover bid); or
  - › the Board determining (in its discretion) that a change of control is deemed to occur because any of the following has occurred:
    - A takeover bid is made for the Company which may result in the bidder (together with its associates, if applicable) having voting power in at least 50% of all issued shares in the Company and the Board either resolves to recommend the bid or the bid is declared to be unconditional;
    - A court convenes a shareholder meeting to be held to vote on a proposed scheme of arrangement pursuant to which control of the Company may change; or
    - In the opinion of the Board, any other transaction, event or state of affairs is likely to result in a change in control of the Company.

Remuneration report - CONTINUED

(d) Short- and long-term incentives - CONTINUED

Proposed Director Options - CONTINUED

More information regarding these options held by the KMP is set out above at (e) *Details of remuneration: Option holdings*, below.

The specific number of options for each director and the applicable vesting conditions were chosen by the Board as an appropriate number to retain a person of each relevant director's skills and experience and to provide a realistic and meaningful incentive. The Board also considered it a more cost effective manner to remunerate the directors than cash.

Performance rights

Each performance right is convertible into a fully paid ordinary share in the capital of the Company, based on achievement of certain metrics over a period of 48 months from listing of the Company.

The metrics are simple for the Company to measure and reflect growth in the platform's use and commercialisation.

The performance rights vest as follows:

- Class A: Achievement of 250,000 deliveries in a calendar month. Achieved in July 2017.
- Class B: Achievement of 375,000 deliveries in a calendar month. Achieved in September 2017.
- Class C: Achievement of 750,000 deliveries in a calendar month. Achieved in November 2018.
- Class D: Achievement of Company revenue of $5 million in a full financial year or $1.25 million in any 3-month period ending on 31 March, 30 June, 31 October, or 31 December. Achieved in June 2019.
- Class E: Achievement of Company revenue of $10 million in a full financial year or $2.5 million in any 3-month period ending on 31 March, 30 June, 31 October, or 31 December.
- Class F: Achievement of Company revenue of $15 million in a full financial year or $3.75 million in any 3-month period ending on 31 March, 30 June, 31 October, or 31 December

The performance rights are not shares and do not convey to the holder any rights a shareholder of the Group would be entitled to. The performance rights do not carry any voting rights, nor dividend entitlements, or other distributions which may be declared by the Group. Other key terms include:

- The performance rights were issued for no cash consideration.
- They are not transferable without the consent of the Board.
- If the holder elects to resign as an employee or director of the Company, as the case may be, at any time prior to conversion then all performance rights automatically lapse on the date of resignation unless the Board determines otherwise.
- On a change of control (as defined in the Company's prospectus dated 26 October 2016), all Class D, E and F performance rights are considered earned in full and nonforfeitable and any restrictions applicable to such performance rights immediately shall lapse. Unless otherwise agreed by all holders of the performance rights, a change of control is the occurrence of one or more of the following:
  - An acquisition by an individual, entity or group of benefit ownership of 20% or more of either (A) the then-outstanding shares of the Company or (B) the combined voting power of the then-outstanding voting securities of the Company entitled to vote generally in the election of directors;
  - The consummation of a reorganization, merger or consolidation or sale or other disposition of all or substantially at least 50% of the assets of the Company; or
  - The approval by shareholders of a complete liquidation or dissolution of the Company.
- The holder has no right to participate in a new issue of shares unless the relevant right has vested. If there is a reorganisation of issued capital of the Company before the expiry date, the number of shares to which the holder is entitled on vesting will be reconstructed in accordance with the ASX Listing Rules.
- The holder acknowledges that the shares issued pursuant to the vesting of Performance Rights may be subject to on-sale restrictions under s.707(3) of the Corporations Act. In such circumstances, the holder must not sell or transfer any of the shares for 12 months from the date of issue.

Remuneration report - *CONTINUED*

(d) Short- and long-term incentives - *CONTINUED*

Performance rights - *CONTINUED*

More information regarding performance rights held by the KMP are set out at *(e) Details of remuneration*: *Performance rights issue*, below.

(e) Details of remuneration

Remuneration expense

The following table shows details of the remuneration expense recognised for the Group's KMP for the current and previous financial periods measured in accordance with the requirements of the accounting standards and section 300A of the *Corporations Act 2001* (Cth).*

			Short Term Benefits				Post-employment Benefits	Equity-based Benefits			
In AUD dollars	FY		Salary, Fees & bonuses		Non-monetary benefits	Total	Superannuation and 401(k) benefits	Performance rights	Options	Total	Proportion of remuneration performance related %
Executive directors											
Bane Hunter	2019		954,309	(1)	14,135	968,444	44,579	212,295	718,177	1,943,495	31%
	2018		629,095	(2)	-	629,095	-	1,059,480	1,738,605	3,427,180	42%
Joel Macdonald	2019		936,598	(3)	22,817	959,415	37,412	212,295	143,635	1,352,757	45%
	2018		696,460	(4)	-	696,460	-	1,059,480	347,721	2,103,661	70%
Non-executive directors											
Stanley Pierre-Louis (appointed 31 May 2019)	2019		20,916		-	20,916	-	-	6,704	27,620	0
	2018		-		-	-	-	-	-	-	-
Marc Naidoo (appointed 2 April 2019)	2019		32,500		-	32,500	3,087	-	9,517	45,104	0
	2018		-		-	-	-	-	-	-	-
Charles Terrance White (appointed 3 May 2019)	2019		27,888		-	27,888	-	-	6,206	34,094	0
	2018		-		-	-	-	-	-	-	-
Michael Fricklas (resigned 26 April 2019)	2019		-		-	-	-	-	229,075	229,075	0
	2018	(5)	-		-	-	-	-	31,565	31,565	-
Brett Eagle (resigned 29 November 2018)	2019		50,769		-	50,769	4,823	(9,323)	(124,249)	(77,980)	12%
	2018	(6)	71,806		-	71,806	6,822	117,720	347,721	544,069	22%
David Ryan (resigned 26 April 2019)	2019		170,814		-	170,814	-	-	22,908	193,722	0
	2018	(7)	-		-	-	-	-	3,157	3,157	-
Belinda Gibson (resigned 26 April 2019)	2019		99,700		-	99,700	-	-	10,910	110,610	0
	2018		-		-	-	-	-	-	-	-
Former executive directors											
Jamila Gordon (resigned 20 November 2017)	2018	(8)	187,050		-	187,050	3,520	50,536	71,851	312,957	16%
Former non-executive directors											
Nevash Pillay (resigned 6 February 2018)	2018		-		-	-	-	-	-	-	-
Total KMP compensation	2019		2,293,494		36,952	2,330,446	89,901	415,267	1,022,883	3,858,497	-
	2018		1,584,411		-	1,584,411	10,342	2,287,216	2,540,620	6,422,589	-

* *Except as set forth in the table above, there are no long-term benefits to report. There are no shares to report as equity-based benefits and no termination-based benefits to report.*

[1], [2] , [3], [4] Includes bonuses expensed, discussed below.

[5] Amount expensed on options issued subject to shareholder approval. Michael Fricklas was paid consulting fees of $328,825 on 25 April 2018 for services provided to the Company. See section (g) Related party arrangements of this remuneration report for details.

[6] The cash fees and superannuation received by Brett Eagle exceeded the Company's non-executive director fee pool by $26,068 for the year ending 30 June 2018. This amount will was taken to reduce the available non-executive director fee pool in respect of the year ending 30 June 2019.

[7] Amount expensed on options issued subject to shareholder approval on 31 August 2018. Ryvan Pty Limited (a personally related party of David Ryan) was paid $144,680 on 25 April 2018 for services provided to the Company. See section (g) Related party arrangements of this remuneration report for details.

[8] Includes $150,000 settlement.

The "Percentage of remuneration performance related" above for Bane Hunter and Joel Macdonald included cash bonuses expensed in the year ending 30 June 2019 and in the year ending 30 June 2018. Details are set out in the table below, in Australian dollars.

Remuneration report - *CONTINUED*

(e) Details of remuneration - *CONTINUED*

2019 Cash Bonuses

Bane Hunter and Joel Macdonald were each paid a $391,270 bonus on 30 March 2019, being 72.9% of their short term bonus target, and within the recommendation provided by the remuneration consultant.

In determining the bonuses, regard was had to matters including the level of their past performance, the geographic market where they were assigned to work (including costs, retention issues and level of salary), and having regard to comparable roles in other companies (including having regard to important differences with those companies, including revenues). No further service or performance conditions were imposed on the eligibility for payment of the bonuses.

EXECUTIVE DIRECTOR	GRANT DATE OF BONUS	AMOUNT OF BONUS PAID $	DATE PAID
Bane Hunter	**27/02/19**	**391,270**	**30/03/19**
Joel Macdonald	**27/02/19**	**391,270**	**30/03/19**
Total		**782,540**	

2018 Cash Bonuses

The bonuses were initially approved in the amount of $650,000 for each to Bane Hunter and Joel Macdonald. Bane Hunter declined the balance of $285,000 and Joel Macdonald declined the balance of $240,000.

Bane Hunter and Joel Macdonald each did so in recognition of the challenges presently faced by the Company and as a demonstration of their loyalty to, and investment in, the Company.

In determining the bonuses, regard was had to matters including the level of their past performance, being employed within the New York market (including costs, retention issues and level of salary), and having regard to comparable roles in other companies (including having regard to important differences with those companies, including revenues). No further service or performance conditions were imposed on the eligibility for payment of the bonuses.

EXECUTIVE DIRECTOR	TOTAL 2018 BONUS GRANTED	GRANT DATE OF BONUS	AMOUNT OF 2018 BONUS PAID DURING FY2018[2]	DATE PAID	% OF TOTAL BONUS PAID	AMOUNT DECLINED BY KMP[1]	% DECLINED	BALANCE PAID IN FY2019[2]	DATE BALANCE WAS PAID
Bane Hunter	650,000	13/12/17	170,000	25/12/17	26.2	285,000	43.6	195,000	31/12/2018
Joel Macdonald	650,000	13/12/17	215,000	25/12/17	33.1	240,000	36.9	195,000	31/12/2018
Total	**1,300,000**		**385,000**		**29.6**	**525,000**	**40.4**	**390,000**	

1 *This was declined by Bane Hunter and Joel Macdonald during the first quarter of calendar 2018.*
2 *Included in the amount expensed in the period indicated.*

Remuneration report - *CONTINUED*

(e) Details of remuneration - *CONTINUED*

Share holdings

The number of shares in the parent entity held during the financial year ended 30 June 2019 by each director and other members of KMP of the Group, including their personally related parties, is set out below. These shareholdings reflect relevant interests of the directors

2019	BALANCE AT THE START OF THE PERIOD[1]	GRANTED AS REMUNERATION	RECEIVED ON EXERCISE OF OPTIONS	OTHER CHANGES[2]	BALANCE AT THE END OF THE PERIOD[3]
Ordinary shares					
Michael Fricklas *(resigned 26 April 2019)*	-	-	-	302,000	302,000[3]
Bane Hunter	11,653,579	-	-	-	11,653,579
Joel Macdonald	41,689,309	-	-	-	41,689,309
Brett Eagle *(resigned 29 November 2018)*	2,195,122	-	-	-	2,195,122[3]
David Ryan *(resigned 26 April 2019)*	-	-	-	200,000	200,000[3]
Stanley Pierre-Louis *(appointed 31 May 2019)*	-	-	-	-	-
Marc Naidoo *(appointed 2 April 2019)*	-	-	-	-	-
Charles Terrance White *(appointed 3 May 2019)*	-	-	-	-	-
Belinda Gibson *(resigned 26 April 2019)*	-	-	-	100,000	100,000[3]
	55,538,010	-	-	602,000	56,140,010

1 *Balance may include shares held prior to individuals becoming KMP. For individuals who became KMP during the period, the balance is as at the date they became KMP.*

2 *Other changes incorporates changes resulting from the conversion of performance rights or on market trades.*

3 *For former KMP, the balance is as at the date they cease being KMP.*

Remuneration report - *CONTINUED*

(e) **Details of remuneration** - *CONTINUED*

Option holdings

The number of options over ordinary shares in the parent entity held during the financial year ended 30 June 2019 by each director and other members of KMP of the Group, including their personally related parties, is set out below.

2019	Balance at start of the period[1]	Granted as remuneration	% Vested during period	Exercised	Other changes[2]	% Forfeited during period	Balance at end of the period	Vested and exercisable
Directors								
Michael Fricklas *(resigned 26 April 2019)*	-	3,000,000	33.33%	-	(2,000,000)	66.67%	1,000,000	1,000,000
Bane Hunter	5,000,000		33.33%	-	-	-	5,000,000	3,123,000
Joel Macdonald	1,000,000		33.33%	-	-	-	1,000,000	624,600
Brett Eagle *(resigned 29 November 2018)*	1,000,000		13.89%	-	(583,333)	58.33%	416,667	416,667
David Ryan *(resigned 26 April 2019)*	-	300,000	33.33%	-	(200,000)	66.67%	100,000	100,000
Stanley Pierre-Louis *(appointed 31 May 2019)*	200,000	-	43.75%	-	(112,500)	56.25%	87,500	87,500
Marc Naidoo *(appointed 2 April 2019)*	-	-	-	-	-	-	-	-
Charles Terrance White *(appointed 3 May 2019)*	300,000	-	43.75%	-	(168,750)	56.25%	131,250	131,250
Belinda Gibson *(resigned 26 April 2019)*	-	300,000	16.66%	-	(250,000)	83.34%	50,000	50,000
	7,500,000	3,600,000		-	(3,263,833)		7,786,167	5,533,017

1 *Balance may include shares held prior to individuals becoming KMP. For individuals who became KMP during the period, the balance is as at the date they became KMP.*

2 *Other changes incorporates changes resulting from the expiration/forfeiture/cancellation of options.*

The options issued to Michael Fricklas, David Ryan and Belinda Gibson were approved by shareholders on 31 August 2018 and 29 November 2018 and do not form part of the ESOP. The options vest equally quarterly over 36 months (subject to accelerate in accordance with their terms) and on payment of the exercise price convert into a fully paid ordinary share in the capital of the Company. Their terms are discussed above at *(d) Short- and long-term incentives: Director Options*. At the date of this report, Michael Fricklas, David Ryan and Belinda Gibson have resigned as directors of the Company and all unvested options issued to them lapsed on the respective dates of their resignations.

The total expense recognised in the current financial year from the amortisation of the granting of these options including proposed future options to the new non-executive directors is $1,162,663.

The holder has no right to participate in a new issue of shares unless the relevant right has vested. If there is a reorganisation of issued capital of the Company before the expiry date, the number of shares to which the holder is entitled on vesting will be reconstructed in accordance with the ASX Listing Rules.

No options were exercised during the year.

Remuneration report - *CONTINUED*

(e) Details of remuneration - *CONTINUED*

Option holdings - *CONTINUED*

Details of the options granted to the KMP as compensation during the FY19 reporting period are as follows.

	NO. OF OPTIONS	EXERCISE PRICE	FAIR VALUE PER OPTION AT GRANT DATE	EXPIRY DATE	% VESTED DURING PERIOD	% FORFEITED DURING PERIOD
Non-Executive Director						
Michael Fricklas *(resigned 26 April 2019)*	**3,000,000**	**$0.408**	**$0.252**	**19 September 2028**	**33.33%**	**66.67%**
David Ryan *(resigned 26 April 2019)*	**300,000**	**$0.408**	**$0.252**	**19 September 2028**	**33.33%**	**66.67%**
Belinda Gibson *(resigned 26 April 2019)*	**300,000**	**$0.439**	**$0.245**	**14 December 2019**	**16.66%**	**83.34%**
Total	**3,600,000**					

During the year ending 30 June 2019:

- 2,000,000 of the 3,000,000 options issued to Michael Fricklas on 19 September 2018 lapsed when Michael Fricklas resigned on 26 April 2019;
- 250,000 of the 300,000 options issued to Belinda Gibson on 14 December 2018 lapsed when Belinda Gibson resigned on 26 April 2019;
- 200,000 of the 300,000 options issued to David Ryan on 19 September 2018 lapsed when David Ryan resigned on 26 April 2019; and
- 583,333 of the options issued to Brett Eagle on 15 September 2017 lapsed when Brett Eagle resigned on 29 November 2018.

The above table does not include proposed future options offered to the new non-executive directors as they are subject to shareholder approval.

Performance rights issue

As part of the successful completion of the ASX listing, on 9 December 2016, the Group issued 32,926,828 performance rights over the ordinary shares to certain executives of the Group and another 309,930 performance rights were issued during FY2018. No performance rights were issued during FY2019. Each of the performance rights entitles the holder to be issued one fully paid ordinary share of the Company for no cash consideration upon vesting. The performance rights will convert into ordinary shares upon achievement of six performance milestones and will expire if the milestones are not achieved within 48 months of the ASX listing. The total expense recognised in the current financial year from the amortisation of prior period granting of performance rights is $389,331.

The holder has no right to participate in a new issue of shares unless the relevant right has vested. If there is a reorganisation of issued capital of the Company before the expiry date, the number of shares to which the holder is entitled on vesting will be reconstructed in accordance with the ASX Listing Rules. The milestones and other key terms are set out above, in part (c) Remuneration philosophy and policy.

Remuneration report - *CONTINUED*

(f) Contractual arrangements with executive KMPs

Bane Hunter agreed to serve as Executive Chairman of the Group; he did so until 26 April 2018, when he became Chief Executive Officer. Bane entered into an Employment Agreement with the Group. His Employment Agreement provides for:

- An annual salary of AU$240,000, increased to US$370,000 commencing 1 January 2018, with eligibility for bonus. The base salary was increased by 2% pursuant to action by the board following a recommendation by the Remuneration and Nomination Committee and a report by the remuneration consultant on 27 February 2019.
- The grant of 14,817,073 performance rights, which are convertible into the same number of shares, subject to the achievement of certain metrics over a period of 48 months and any acceleration of vesting in accordance with their terms (see section (d) *Short- and long-term incentives* for terms of these rights).

The agreement is for an initial term of four years, with an automatic two-year extension (unless notice of non-renewal is provided by the Group within 90 days of the expiration of the initial term. The agreement was renewed for a four-year term effective 1 January 2018 (and remuneration was reviewed at that time).

The agreement also prohibits the employee from being engaged or having an interest in (either directly or indirectly) in any capacity, in any trade, business or occupation which is directly competitive with the Group. This provision does not prohibit holding investments in a listed company of not more than 5% of the securities of any company.

A termination payment is payable upon termination of appointment by the Group and will be calculated as follows:

- If termination occurs during the initial term of employment, then the termination payment is the amount of the base salary otherwise payable for the remainder of the initial term of the employment; or two times the annual base salary, if more, and in any event subject to shareholder approval and other laws and regulations if required.
- If termination occurs after the initial term of employment, then two times the annual base salary in accordance with the employment agreement for the appointee/employee.

This provision does not apply to any termination for cause, which is defined as where a person:

- is convicted of any serious criminal offence other than an offence which in the reasonable opinion of the Board does not affect the employee's position as an employee of the Group;
- commits fraud, an act of intentional gross misconduct or an act of gross negligence; or
- the employee is legally declared by either Australia or United States to be of unsound mind and is unable to make sound and prudent decisions.

As at 30 June 2019, Bane Hunter held 9,878,048 performance rights. In November 2018 and as of 30 June 2019, the Class C and Class D Performance Milestones respectively were achieved. No performance rights were converted to shares during fiscal year ended June 30 2019.

Joel Macdonald entered into an Employment Agreement with the Group to act as Managing Director of the Group; he subsequently assumed the additional title of President in April 2018. His Employment Agreement provides for:

- An annual salary of AU$250,000, increased to US$370,000 commencing 1 January 2018, with eligibility for bonus. The base salary was increased by 2% pursuant to action by the board following a recommendation by the Remuneration and Nomination Committee and a report by the remuneration consultant on 27 February 2019.
- The grant of 14,817,073 performance rights, which are convertible into the same number of shares, subject to the achievement of certain metrics over a period of 48 months and any acceleration of vesting in accordance with their terms (see section (d) *Short- and long-term incentives* for terms of these rights).

The agreement is for an initial term of four years, with an automatic two-year extension (unless notice of non-renewal is provided by the Group within 90 days of the expiration of the initial term. The agreement was renewed for a four-year term effective 1 January 2018.

Remuneration report - *CONTINUED*

(f) Contractual arrangements with executive KMPs - *CONTINUED*

The agreement also prohibits the employee from being engaged or having an interest in (either directly or indirectly) in any capacity, in any trade, business or occupation which is directly competitive with the Group. This provision does not prohibit holding investments in a listed company of not more than 5% of the securities of any company.

A termination payment is payable upon termination of appointment by the Group and will be calculated as follows:

- If termination occurs during the initial term of employment, then the termination payment is the amount of the base salary otherwise payable for the remainder of the initial term of the employment; or two times the annual base salary, if more, and in any event subject to shareholder approval and other laws and regulations if required.
- If termination occurs after the initial term of employment, then two times the annual base salary in accordance with the employment agreement for the appointee/employee.

This provision does not apply to any termination for cause, which is defined as where a person:

- Is convicted of any serious criminal offence other than an offence which in the reasonable opinion of the Board does not affect the employee's position as an employee of the Group;
- Commits fraud, an act of intentional gross misconduct or an act of gross negligence; or
- The employee is legally declared by either Australia or United States to be of unsound mind and is unable to make sound and prudent decisions.

As at 30 June 2019, Joel Macdonald held 9,878,048 performance rights. In November 2018 and as of 30 June 2019, the Class C and Class D Performance Milestones respectively were achieved. No performance rights were converted to shares during fiscal year ended June 30 2019.

No performance rights were converted to shares during fiscal year ended June 30 2019.

(g) Non-executive director arrangements

The Group has entered into Non-Executive Director appointment letters with Stanley Pierre-Louis, Marc Naidoo and Charles Terrance White under which the Group has agreed to pay directors fees as follows.

In the case of Stanley Pierre-Louis, subject to shareholder approval being sought at an annual general meeting of shareholders on 26 November 2019 (**AGM**), the Company intends to offer Stan Pierre-Louis 600,000 options. Vesting occurs quarterly over 3 years (calculated from 31 May 2019 and commencing on issue in respect of any expired quarterly anniversaries), subject to certain change of control or liquidity acceleration events. His director's fee will be US$180,000 per annum commencing from 31 May 2019.

In the case of Charles Terrance White, subject to shareholder approval being sought at the AGM, the Company intends to offer Charles Terrance White 300,000 options. Vesting occurs quarterly over 3 years (calculated from 3 May 2019 and commencing on issue in respect of any expired quarterly anniversaries), subject to certain change of control or liquidity acceleration events. His director's fee will be US$120,000 per annum commencing from 3 May 2019.

In the case of Marc Naidoo, subject to shareholder approval being sought at the AGM, the Company intends to offer Marc Naidoo 300,000 options. Vesting occurs quarterly over 3 years (calculated from 2 April May 2019 and commencing on issue in respect of any expired quarterly anniversaries), subject to certain change of control or liquidity acceleration events. His director's fee will be AU$130,000 per annum commencing from 2 April 2019.

The exercise price of each Proposed Option will be the 30 day volume weighted average price of the Company's shares on ASX prior to the issue date.

Remuneration report - *CONTINUED*

(g) Non-executive director arrangements - *CONTINUED*

The options have not been offered or granted as at the date of this report and the offer is subject to shareholder approval. Terms include:

- The options expire 10 years after their issue date.
- The options can be exercised on a net exercise basis at the request of the holder.
- The options will cease to vest if the holder ceases to be a director of the Company.
- The options cannot be transferred without the consent of the Company.
- Vesting may be accelerated on the occurrence of certain change of control or liquidity events (either automatically or earlier by exercise of the discretion of the Board).
- At the request of the holder, the Company must use reasonable endeavours to make the shares freely tradeable; this does not extend to an obligation to issue a disclosure document or to release price sensitive information to the ASX which is properly withheld from disclosure. However, it may involve issuing a 'cleansing statement' to ASX (when the Company is again able to take advantage of such Corporations Act standard relief, to permit trading of shares within 12 months of their issue without a disclosure document).

There may be restrictions in the offers on any person dealing with shares issued on exercise of the options.

(h) Related Party Arrangements

Stanley Pierre-Louis

Stanley Pierre-Louis was engaged by the Company as a consultant to:

- provide general consulting and advisory services to certain senior executives of the Company and other members of the Board on matters such as growth strategy, sales strategy, marketing initiatives and positioning of the Company; and
- provide services as a member of the Advisory Board (including attending scheduled meetings of the Advisory Board as required).

This engagement commenced on 21 August 2017 and was terminated on 29 May 2019 (before his appointment as a non-executive director of the Company on 31 May 2019). On this resignation, the unvested options issued to Stanley Pierre-Louis lapsed pursuant to the ESOP under which they were granted.

Details relating to the options issued to Stanley Pierre-Louis are set out below.

Other terms of the engagement included:

- Stanley Pierre-Louis was to be paid a monthly fee of AUD $2,000 per month.
- Stanley Pierre-Louis was issued 200,000 options under the ESOP. These options are valid for a 5 year period. 25% of the granted options vest on the one-year anniversary of the engagement commencement date. The remaining 75% vest on a monthly basis over the subsequent three-year period after the one-year anniversary date. His unvested options of 112,500 were lapsed upon resignation as advisor on 29 May 2019.

Remuneration report - *CONTINUED*

(h) Related Party Arrangements - *CONTINUED*

Charles Terrance White

Charles Terrance White was engaged by the Company as a consultant to:

- provide general consulting and advisory services to certain senior executives of the Company and other members of the Board on matters such as growth strategy, sales strategy, marketing initiatives and positioning of the Company; and
- provide services as a member of the Advisory Board (including attending scheduled meetings of the Advisory Board as required).

This engagement commenced on 1 August 2017 and was terminated on 1 May 2019 (before his appointment as a non-executive director of the Company on 3 May 2019). On this resignation, the unvested performance rights and unvested options issued to Charles Terrance White lapsed pursuant to the ESOP under which they were granted. No commission was paid to Charles Terrance White under this engagement.

Details relating to the options and performance rights issued to Charles Terrance White are set out below.

Other terms of the engagement included:

- Charles Terrance White was to be paid a monthly fee of US$7,500 per month.
- 10% commission of the gross sales resulting from any contract the Company would enter resulting from the direct introduction, facilitation and participation of Charles Terrance White.
- 300,000 options (being 100,000 Tranche 1 options, 100,000 Tranche 2 options and 100,000 Tranche 3 options) under the ESOP; and
- 16,655 Class A performance rights, 16,655 Class B performance rights, 16,655 Class C performance rights, 16,655 Class D performance rights, 16,655 Class E performance rights and 16,655 Class F performance rights.

Approximately 25% of these options vested on 1 August 2018 at exercise prices of $0.80, $1.00 and $1.20 and on payment of the exercise price convert into fully paid ordinary shares each in the capital of the Company. The remaining options vest and become exercisable in equal monthly amounts on the last day of each calendar month over the 2 year period from 1 August 2018 (subject to acceleration in a change of control). All unvested options lapse immediately upon cessation of the engagement. His 168,000 unvested options were lapsed upon his resignation as advisor on 1 May 2019.

Subject to the milestone criteria applicable to the performance rights, 25% of each class of performance rights vested on 1 August 2018, and the remaining performance rights in each class vest in equal monthly amounts on the last day of each calendar month over the two year period from 1 August 2018 (subject to acceleration and change of control). In November 2018, the Class C Performance Milestones were achieved. No performance rights were converted to shares during fiscal year ended June 30 2019.

Upon his resignation as advisor, 49,965 of his performance rights (related to class D-F) were cancelled as respective milestones were not achieved as of that date. As of 30 June 2019, Mr. White holds a total of 21,860 performance rights in equal amounts in classes A, B and C, which have not been converted into ordinary shares.

Brett Eagle

Brett Eagle, former non-executive director, provided services to the group via Eagle Corporate Advisers Pty Limited ACN 137 963 118 (ECA), an incorporated legal practice owned by him. ECA is engaged by the Company to provide legal and advisory services to the Company, which could include providing personnel to take on executive functions and holding positions within the Company's business including as a director, other corporate officer or executive or non-executive positions.

ECA was paid a total of $204,000 (prior year $154,040) for such services, and their monthly contract of $17,000 will terminate in August 2019.

Additional information

Details of total options and performance rights

The number of each class of unquoted options and performance rights on issue as at 30 June 2019 and the date of this directors' report is as follows:

CLASS OF EQUITY SECURITIES	NUMBER OF OPTIONS OR PERFORMANCE RIGHTS
Performance Rights	**20,079,413**
Options exercisable at $0.20 each on or before 7 December 2020	**7,500,000**
Options exercisable at $0.80 each on or before 14 August 2021	**2,138,890**
Options exercisable at $1.00 each on or before 14 August 2021	**2,138,889**
Options exercisable at $1.20 each on or before 14 August 2021	**2,138,888**
Options exercisable at $7.00 each on or before 18 December 2020	**5,000,000**
Options exercisable between $0.80 to $1.20 with expiry dates ranging from 5 years to 15 years	**592,750**
Options exercisable at $0.408, expiring on 19 September 2028	**1,100,000**
Options exercisable at $0.439, expiring on 14 December 2028	**50,000**
Total	**40,689,903**

During the year ended 30 June 2019, there were no paid ordinary shares of the Company were issued on the exercise of options or performance rights. No further shares were issued after 30 June 2019 and before the date of this directors' report.

Insurance of officers and indemnities

(a) Insurance of officers

The Group has indemnified the directors and executives of the Group for liabilities incurred, in their capacity as a director or executive (including an indemnity as to legal costs), except to the extent not permitted by law. This indemnity may extend for certain officers to damage to interests or reputation. As part of the indemnification arrangements, the Group has also entered into arrangements for access to documents by certain officers. During the financial year, the Group paid a premium in respect of a contract to insure the directors and executives of the Group against a liability to the extent permitted by the *Corporations Act 2001*. The contract of insurance prohibits disclosure of the nature of liability and the amount of the premium.

(b) Indemnity of auditors

The Group has not, during or since the financial year, indemnified or agreed to indemnify the auditor of the Group or any related entity against a liability incurred by the auditor. During the financial year, the Group has not paid a premium in respect of a contract to insure the auditor of the Group 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 Group, or to intervene in any proceedings to which the Group is a party, for the purpose of taking responsibility on behalf of the Group for all or part of those proceedings.

Auditor

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

Additional information - *CONTINUED*

Non-audit services

RSM US LLP provided non-audit tax services to the Group during the financial year. RSM Australia Partners also provided tax services to the Group during this year. Tax services in the amount $126,448 have been billed and paid at the date of this report in respect of this financial year, $51,950 to RSM Australia Partners and $74,498 to RSM US LLP. RSM US LLP does not provide any audit services to the Group. Separate engagements letters are executed with each RSM entity and further within RSM Australia Partners between audit and tax, and the tax services are managed by different partners in different practices than the audit service. The directors of the Company are satisfied and able to make a statement that the provision of non-audit services during the financial year by the auditor or a firm on the auditor's behalf is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001* (Cth). The directors of the Company are satisfied that the provision of those non-audit services, during the financial year, by the auditor or a firm on the auditor's behalf did not compromise the auditor independence requirements of the *Corporations Act 2001* (Cth). Remuneration of the auditor for audit and other assurance services is set out at page 66 in Note 19 to the Financial Statements.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 38.

Rounding of amounts

The amounts contained in the financial statements have been rounded to the nearest $1,000 (where rounding is applicable) under the option available to the Company under ASIC Corporations (Rounding in Financial/Directors' Report) Legislative Instrument 2016/191. The Company is an entity to which the Legislative Instrument applies.

Regulatory risks

From time to time, GetSwift may be subject to regulatory investigations and disputes, including by the Australian Taxation Office (**ATO**) and Federal or State regulatory bodies including the Australian Securities and Investments Commission (**ASIC**). The outcome of any such investigations or disputes may have a material adverse effect on GetSwift's operating and financial performance.

On 28 February 2018, the Company was served with a notice to produce documents as part of an investigation commenced by ASIC. GetSwift has continued to engage with ASIC and respond to requests made by the regulator.

Additional information - *CONTINUED*

Litigation

(a) Class action

As previously advised, the Full Court of the Federal Court of Australia delivered judgment on 20 November 2018 affirming that two of the three competing class actions against the company ought to be permanently stayed with only one, the Webb Proceeding, continuing.

A subsequent application for leave to appeal to the High Court of Australia, filed by Squire Patton Boggs (AU) in relation to one of the permanently stayed proceedings, was refused. This decision brought finality to the multiplicity process and confirmed that the Webb Proceeding was to be the sole class action proceeding against the company. The two permanently stayed proceedings were ordered to pay the company's legal costs which were incurred as a result of the appeal processes. In line with those orders, the Company is taking steps to recover costs associated with the special leave application in the High Court. The Company has also taken steps to recover costs associated with the appeal to the Full Court of the Federal Court. In that regard, the Company recovered costs in relation to the McTaggart class action, and has filed a Bill of Costs for taxation in relation to the Perera class action.

The Webb Proceeding alleges that the company and its director Mr Macdonald failed to meet their continuous disclosure obligations and engaged in misleading and deceptive conduct.

The company and Mr Macdonald strongly dispute the allegations made in the Webb Proceeding (including as to any alleged loss) and will continue to vigorously defend the proceedings. The company has filed its defence in the Webb Proceeding and has named Squire Patton Boggs (AU) as a concurrent wrongdoer.

On 7 February 2019, the Court ordered, amongst other things:

1. that an opt out notice be issued to group members (being those persons who acquired shares in GetSwift Limited during the period relevant to the allegation in the Webb Proceeding of 24 February 2017 to January 2018 inclusive) by 21 February 2019;
2. that the opt out deadline be fixed as 28 March 2019; and
3. that mediation commence by no later than 18 April 2019.

A number of group members elected to submit Opt Out Notices to the Federal Court Registry notifying their intention not to be involved in the Webb Proceeding. The parties engaged in mediation in accordance with the orders. No settlement was reached. The parties are now engaging in discovery and preparing evidence.

On 24 April 2019, the Court ordered that the Webb Proceeding be listed to proceed to trial on 17 August 2020.

To date, the Applicant in the Webb Proceeding has not provided any information, in the pleadings or otherwise, to quantify the loss allegedly suffered by the Applicant. Comments in open court by lawyers for the permanently stayed proceedings however, indicated that the alleged total quantum of their claims was, at its highest, approximately $75 million.

There are many important steps that need to occur before any liability is imposed on the company or Mr Macdonald in relation to the allegations in the Webb Proceeding. No provision has been taken in these accounts. Legal fees will be incurred in defending the matter as it proceeds.

Additional information - *CONTINUED*

Litigation - *CONTINUED*

(b) ASIC proceedings

As previously advised, on 22 February 2019, the Australian Securities and Investments Commission (**ASIC**) commenced civil penalty proceedings in the Federal Court of Australia against the company and two of its directors: Mr Joel Macdonald and Mr Bane Hunter. On 15 March 2019 ASIC amended their claim to include former GetSwift director and Corporate Counsel, Mr Brett Eagle, as an additional defendant. The ASIC Proceeding alleges that the defendants failed to meet their continuous disclosure obligations and engaged in misleading and deceptive conduct. The claims relate to conduct alleged to have occurred between February and December 2017.

ASIC seeks pecuniary penalties against each of the defendants as well as orders against Mr Macdonald, Mr Hunter and Mr Eagle disqualifying them from managing corporations for a period of time.

The trial of the ASIC Proceeding has been listed to commence on 9 June 2020. The parties are currently engaging in discovery and preparing evidence.

The company, Mr Macdonald, Mr Hunter and Mr Eagle vehemently deny the allegations made by ASIC and will vigorously defend the proceedings.

On 29 April 2019, the Company was served by ASIC with a notice to produce documents in relation to the vesting of management performance rights by the Company during 1 July 2017 – 31 December 2018. The Company is very confident with respect of this notice and is engaging with the regulator.

No provision has been taken in these accounts. At the present time, it is not possible to predict the ultimate outcome of these proceedings. Legal fees will be incurred in relation to defending the proceedings.

This report is made in accordance with a resolution of directors.

Stanley Pierre-Louis
CHAIRMAN

Dated 28 August 2019

**Note: This Directors' Report was first released by the Company via the ASX platform on 28 August 2019. Some corrective updates have been approved by the Board and incorporated in the version of the Directors' Report included in this annual report. A number of these corrective updates are to remove inconsistencies within the report or include information previously disclosed on the ASX platform. The corrections were in relation to the exercise price of options issued to certain directors, the total number of Performance Rights on issue, vesting and expiration date of options issued to Mr Terrance White, vested and exercisable options for Bane Hunter and Joel Macdonald, appointment date of Ms Belinda Gibson and current composition of the Audit and Risk Committee and Remuneration and Nomination Committee.*

Auditor's Independence Declaration

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of GetSwift 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

RSM AUSTRALIA PARTNERS

J S CROALL
Partner

Dated: 28 August 2019
Melbourne, Victoria

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financial statements

These financial statements are consolidated financial statements for the group consisting of GetSwift Limited and its subsidiaries. A list of major subsidiaries is included in note 13.

The financial statements are presented in the Australian currency.

GetSwift Limited is a company limited by shares, incorporated and domiciled in Australia. Its registered office is:

Level 3, 62 Lygon Street
Carlton VIC 3053

Its principal place of business is:

GetSwift Limited
1185 6th Avenue New York NY 10036

The financial statements were authorised for issue by the directors on 29 August 2019. The directors have the power to amend and reissue the financial statements.

Consolidated statement of profit or loss and other comprehensive income

	NOTES	2019 $'000	2018 $'000
Revenue from contracts with customers	2	**2,140**	771
Other income	3(a)	**1,680**	706
		3,820	1,477
Other gains/(losses) – net	3(b)	**5,184**	5,360
Employee benefits expenses	3(c)	**(10,125)**	(4,831)
General and administrative expenses	3(c)	**(16,821)**	(9,270)
Share-based payment expenses	18(b)	**(1,552)**	(4,859)
Operating loss		**(19,494)**	(12,123)
Loss before income tax		**(19,494)**	(12,123)
Income tax expense	4	**-**	–
Loss for the period		**(19,494)**	(12,123)
Other comprehensive income			
Items that may be reclassified to profit or loss:			
Exchange differences on translation of foreign operations	7(b)	**(856)**	(263)
Total comprehensive loss for the period		**(20,350)**	(12,386)

		CENTS	CENTS
Loss per share for loss attributable to the ordinary equity holders of the company:			
Basic and diluted loss per share	20	**(10.34)**	(7.11)

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

AS AT 30 JUNE 2019

Consolidated statement of financial position

	NOTES	2019 $'000	2018 $'000
ASSETS			
Current assets			
Cash and cash equivalents	5(a)	**68,809**	35,845
Trade and other receivables	5(b)	**1,319**	512
Other financial assets at amortised cost	5(c)	**-**	60,876
Other current assets		**414**	488
Total current assets		**70,542**	97,721
Non-current assets			
Plant and equipment		**176**	61
Intangible assets	6(a)	**7,923**	22
Total non-current assets		**8,099**	83
Total assets		**78,641**	97,804
LIABILITIES			
Current liabilities			
Trade and other payables	5(d)	**4,471**	4,942
Contract liabilities		**51**	-
Employee benefit obligations	6(b)	**77**	23
Total current liabilities		**4,599**	4,965
Non-current liabilities			
Employee benefit obligations	6(b)	**11**	9
Total non-current liabilities		**11**	9
Total liabilities		**4,610**	4,974
Net assets		**74,031**	92,830
EQUITY			
Share capital	7(a)	**103,242**	103,242
Other reserves	7(b)	**5,054**	4,359
Accumulated losses		**(34,265)**	(14,771)
Total equity		**74,031**	92,830

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

Consolidated statement of changes in equity

	NOTES	ATTRIBUTABLE TO OWNERS OF GETSWIFT LIMITED SHARE CAPITAL $'000	OTHER RESERVES $'000	ACCUMULATED LOSSES $'000	TOTAL EQUITY $'000
Balance at 1 July 2017		16,747	1,763	(2,868)	15,642
Loss for the period		–	–	(12,123)	(12,123)
Other comprehensive loss		–	(263)	–	(263)
Total comprehensive loss for the period		**–**	**(263)**	**(12,123)**	**(12,386)**
Transactions with owners in their capacity as owners:					
Contributions of equity, net of transaction costs and tax	7(a)(i)	84,715	–	–	84,715
Options issued/expensed	7(b)(ii)	–	2,543	–	2,543
Options exercised	7(b)(ii)	402	(402)	–	–
Options lapsed	7(b)(ii)	–	(220)	220	–
Performance rights issued/expensed	7(b)(iii)	–	2,316	–	2,316
Performance rights converted to ordinary shares	7(b)(iii)	1,378	(1,378)	–	–
		86,495	2,859	220	89,574
Balance at 30 June 2018		**103,242**	**4,359**	**(14,771)**	**92,830**

	NOTES	ATTRIBUTABLE TO OWNERS OF GETSWIFT LIMITED SHARE CAPITAL $'000	OTHER RESERVES $'000	ACCUMULATED LOSSES $'000	TOTAL EQUITY $'000
Balance at 1 July 2018		**103,242**	**4,359**	**(14,771)**	**92,830**
Loss for the period		**-**	**-**	**(19,494)**	**(19,494)**
Other comprehensive loss		**-**	**(856)**	**-**	**(856)**
Total comprehensive loss for the period		**-**	**(856)**	**(19,494)**	**(20,350)**
Transactions with owners in their capacity as owners:					
Options issued/expensed	7(b)(ii)	**-**	**1,898**	**-**	**1,898**
Options lapsed	7(b)(ii)	**-**	**(736)**	**-**	**(736)**
Performance rights issued/expensed	7(b)(iii)	**-**	**468**	**-**	**468**
Performance rights lapsed	7(b)(iii)	**-**	**(79)**	**-**	**(79)**
		-	**1,551**	**-**	**1,551**
Balance at 30 June 2019		**103,242**	**5,054**	**(34,265)**	**74,031**

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

FOR THE YEAR ENDED 30 JUNE 2019

Consolidated statement of cash flows

	NOTES	2019 $'000	2018 $'000
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		**1,755**	728
Payments to suppliers and employees (inclusive of GST)		**(28,725)**	(9,888)
Research and development tax incentive received		**159**	-
Net cash (outflow) from operating activities	8(a)	**(26,811)**	(9,160)
Cash flows from investing activities			
Payments for financial assets at amortised cost		**(1,272)**	(58,218)
Payments for plant and equipment		**(177)**	(88)
Payment for acquisition of business, net of cash acquired	12	**(6,976)**	-
Payments for other current assets		**(32)**	-
Proceeds from transfer of financial assets at amortised cost		**66,116**	-
Interest received		**1,769**	479
Net cash inflow (outflow) from investing activities		**59,428**	(57,827)
Cash flows from financing activities			
Proceeds from issues of shares	7(a)	**-**	91,073
Share issue transaction costs	7(a)	**-**	(6,358)
Interest paid		**(1)**	(6)
Net cash (outflow) inflow from financing activities		**(1)**	84,709
Net increase in cash and cash equivalents		**32,616**	17,722
Cash and cash equivalents at the beginning of the financial year		**35,845**	12,684
Effects of exchange rate changes on cash and cash equivalents		**348**	5,439
Cash and cash equivalents at end of year	5(a)	**68,809**	35,845
Non-cash financing and investing activities	8(b)		

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

1 Segment information

Management has determined, based on the reports reviewed by the chief operating decision maker used to make strategic decisions, that the group has one reportable segment being the development and commercialisation of delivery management software as a service. The segment details are therefore fully reflected in the body of the financial statements.

2 Revenue from contract with customers

(a) Disaggregation of revenue from contracts with customers

The group derives revenue from the transfer of services over time and at a point in time in the following geographical regions:

2019	AUSTRALIA $'000	UNITED STATES $'000	REST OF WORLD $'000	TOTAL $'000
Timing of revenue recognition				
At a point in time	**100**	**195**	**147**	**442**
Over time	**411**	**1,170**	**117**	**1,698**
	511	**1,365**	**264**	**2,140**

2018	AUSTRALIA $'000	UNITED STATES $'000	REST OF WORLD $'000	TOTAL $'000
Timing of revenue recognition				
At a point in time	77	149	113	339
Over time	387	36	9	432
	464	185	122	771

(b) Accounting policies and significant judgements

(i) Delivery management services - contracted customers

Revenue from the provision of delivery management services to contracted customers is recognised over time when the group has an enforceable right to payment for performance obligations completed to date. The applicable rates are determined based on contractual agreements held with customers.

CRITICAL JUDGEMENTS IN ALLOCATING THE TRANSACTION PRICE

For contracted customers, management allocates the transaction price for any set up fee revenue and software customisation revenue on a straight-line basis over term of the contract.

(ii) Delivery management services - PAYG customers

Revenue from the provision of delivery management services to pay-as-you-go (PAYG) customers is recognised at a point in time when the group has facilitated the service request.

(iii)Customer contracts with multiple performance obligations

The group at times enters into multiple contracts with the same customer and where that occurs the group treats those arrangements as one contract if the contracts are entered into at or near the same time and are commercially interrelated.

(iv)Financing components

The group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the group does not adjust any of the transaction prices for the time value of money.

3 Other income and expense items

(a) Other income

	2019 $'000	2018 $'000
Dividends	–	76
Interest income	1,521	628
Research and development tax incentive	159	–
Other items	–	2
	1,680	706

(b) Other gains/(losses)

	2019 $'000	2018 $'000
Net gain/(loss) on disposal of property, plant and equipment	–	(1)
Net fair value gains/(losses) on financial assets at fair value through profit or loss	–	(341)
Net foreign exchange gains/(losses)	5,184	5,702
	5,184	5,360

(c) Breakdown of expenses

	2019 $'000	2018 $'000
Employee benefits expenses		
Salaries, bonuses and directors' fees	9,074	4,641
Superannuation and 401(k)	315	64
Other	736	126
	10,125	4,831
General and administrative expenses		
Advertising and marketing	806	352
Amortisation	503	
Bad debts	37	–
Depreciation	64	30
Finance costs	28	6
Insurance	1,146	260
Legal fees	5,866	3,259
Occupancy	751	334
Professional fees	1,881	1,458
Technology contractors	2,773	2,168
Travel and entertainment	864	635
Website expenses	825	254
Other expenses	1,277	514
	16,821	9,270

Notes to the financial statements

4 Income tax expense

(a) Numerical reconciliation of income tax expense to prima facie tax payable

	2019 $'000	2018 $'000
Loss from continuing operations before income tax expense	**(19,494)**	(12,123)
Tax at the Australian tax rate of 27.5% (2018: 27.5%)	**(5,361)**	(3,334)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Net impact of amounts not deductible (taxable)	**469**	2,232
Subtotal	**(4,892)**	(1,102)
Difference in overseas tax rates	**6**	–
Tax losses and other timing differences for which no deferred tax asset is recognised	**4,886**	1,102
Income tax expense	**-**	–

(b) Tax losses

	2019 $'000	2018 $'000
Unused tax losses for which no deferred tax asset has been recognised	**23,291**	5,525

5 Financial assets and financial liabilities

(a) Cash and cash equivalents

	2019 $'000	2018 $'000
Current assets		
Cash at bank and in hand	**68,792**	35,788
Other cash and cash equivalents	**17**	57
	68,809	35,845

(i) Reconciliation to cash flow statement

The above figures reconcile to the amount of cash shown in the consolidated statement of cash flows at the end of the financial year as follows:

	2019 $'000	2018 $'000
Balances as above	**68,809**	35,845
Balances per statement of cash flows	**68,809**	35,845

5 Financial assets and financial liabilities - *CONTINUED*

(a) Cash and cash equivalents - *CONTINUED*

(ii) Classification as cash equivalents

Term deposits are presented as cash equivalents if they have a maturity of three months or less from the date of acquisition and are repayable with 24 hours notice with no loss of interest. See note 22(i) for the group's other accounting policies on cash and cash equivalents.

(iii) Risk exposure

The group's exposure to interest rate risk is discussed in note 10. The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of cash and cash equivalents mentioned above.

(b) Trade and other receivables

		2019			2018		
	NOTES	CURRENT $'000	NON- CURRENT $'000	TOTAL $'000	CURRENT $'000	NON- CURRENT $'000	TOTAL $'000
Trade receivables		**607**	**-**	**607**	103	-	103
Loss allowance	10(b)	**(28)**	**-**	**(28)**	-	-	-
		579	**-**	**579**	103	-	103
Accrued receivables (ii)		**-**	**-**	**-**	247	-	247
Other receivables (iii)		**740**	**-**	**740**	162	-	162
		740	**-**	**740**	409	-	409
Total trade and other receivables		**1,319**	**-**	**1,319**	512	-	512

(i) Classification as trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 30 days and therefore are all classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. Details about the group's impairment policies and the calculation of the loss allowance are provided in note 10(b).

(ii) Accrued receivables

These amounts comprise receivables from financial institutions for interest income from deposits at call.

(iii) Other receivables

These amounts principally comprise receivables from taxation authorities for goods and services tax (GST) and value-added tax (VAT).

(iv) Fair value of trade and other receivables

Due to the short-term nature of the current receivables, their carrying amount is considered to be the same as their fair value.

(v) Impairment and risk exposure

Information about the impairment of trade receivables and the group's exposure to credit risk, foreign currency risk and interest rate risk can be found in note 10.

5 Financial assets and financial liabilities - *CONTINUED*

(c) Other financial assets at amortised cost

(i) Classification of financial assets at amortised cost

The group classifies its financial assets as at amortised cost only if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cash flows, and
- the contractual terms give rise to cash flows that are solely payments of principal and interest. Financial assets at amortised cost comprise the following debt investments:

	2019			2018		
	CURRENT $'000	NON- CURRENT $'000	TOTAL $'000	CURRENT	NON- CURRENT	TOTAL
Deposits at call	-	-	-	60,876	-	60,876
	-	-	-	60,876	-	60,876

(ii) Impairment and risk exposure

Notes 10(a) and 10(b) set out information about the impairment of financial assets and the group's exposure to market risk and credit risk.

(d) Trade and other payables

	2019			2018		
	CURRENT $'000	NON- CURRENT $'000	TOTAL $'000	CURRENT $'000	NON- CURRENT $'000	TOTAL $'000
Trade payables	2,726	-	2,726	2,949	-	2,949
Accrued expenses	259	-	259	1,722	-	1,722
Deferred consideration (i)	933	-	933	-	-	-
Contingent consideration (i)	387	-	387	-	-	-
Other payables	166	-	166	271	-	271
	4,471	-	4,471	4,942	-	4,942

Trade payables are unsecured and are usually paid within 30 days of recognition.

The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature.

(i) Deferred and contingent consideration

These amounts represent payables for the acquisition of Delivery Biz Pro as disclosed in note 12. Deferred consideration represents the fair value of remaining payments after the first instalment made in May 2019. Contingent consideration represents the US$271,011 fair value disclosed in note 12(a)(i) converted to Australian dollars at the 30 June 2019 spot rate.

6 Non-financial assets and liabilities

(a) Intangible assets

NON-CURRENT ASSETS	GOODWILL	TRADEMARKS AND OTHER RIGHTS	SOFTWARE	CUSTOMER LISTS AND CONTRACTS	OTHER	TOTAL
	$'000	$'000	$'000	$'000	$'000	$'000
At 1 July 2017						
Cost	–	–	–	–	4	4
Accumulated amortisation and impairment	–	–	–	–	(1)	(1)
Net book amount	–	–	–	–	3	3
Year ended 30 June 2018						
Opening net book amount	–	–	–	–	3	3
Additions	–	–	23	–	–	23
Amortisation charge	–	–	(2)	–	(2)	(4)
Closing net book amount	–	–	21	–	1	22
At 30 June 2018						

NON-CURRENT ASSETS	GOODWILL	TRADEMARKS AND OTHER RIGHTS	SOFTWARE	CUSTOMER LISTS AND CONTRACTS	OTHER	TOTAL
	$'000	$'000	$'000	$'000	$'000	$'000
At 1 July 2018						
Cost	-	-	23	-	3	26
Accumulated amortisation and impairment	-	-	(2)	-	(2)	(4)
Net book amount	-	-	21	-	1	22
Year ended 30 June 2019						
Opening net book amount	-	-	21	-	1	22
Acquisition of business (note 12)	2,401	169	1,800	3,922	-	8,292
Exchange differences	33	2	25	56	-	116
Amortisation charge	-	(12)	(136)	(358)	(1)	(507)
Closing net book amount	2,434	159	1,710	3,620	-	7,923
At 30 June 2019						
Cost	2,434	171	1,848	3,978	3	8,434
Accumulated amortisation	-	(12)	(138)	(358)	(3)	(511)
Net book amount	2,434	159	1,710	3,620	-	7,923

6 Non-financial assets and liabilities - *CONTINUED*

(a) Intangible assets - *CONTINUED*

(i) Amortisation methods and useful lives

The group amortises intangible assets with a limited useful life using the straight-line method over the following periods:

- Trademarks and other rights 5 years
- Software 5 years
- Customer lists and contracts 4 years

See note 22(m) for the other accounting policies relevant to intangible assets, and note 22(h) for the group's policy regarding impairments.

(ii) Customer contracts

The customer contracts were acquired as part of a business combination (see note 12 for details). They are recognised at their fair value at the date of acquisition and are subsequently amortised on a straight-line based on the timing of projected cash flows of the contracts over their estimated useful lives.

(b) Employee benefit obligations

	2019			2018		
	CURRENT $'000	NON- CURRENT $'000	TOTAL $'000	CURRENT $'000	NON- CURRENT $'000	TOTAL $'000
Leave obligations (i)	**77**	**11**	**88**	23	9	32

(i) Leave obligations

The leave obligations cover the group's liabilities for long service leave and annual leave which are classified as either other long-term benefits or short-term benefits, as explained in note 22(o).

The current portion of this liability includes all of the accrued annual leave, the unconditional entitlements to long service leave where employees have completed the required period of service and also for those employees that are entitled to pro-rata payments in certain circumstances. The entire amount of the provision of $77,389 (2018: $23,131) is presented as current, since the group does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the group does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

7 Equity

(a) Share capital

	NOTES	2019 SHARES	2018 SHARES	2019 $	2018 $
Ordinary shares	7(a)(ii)				
Fully paid		**188,524,310**	188,524,310	**103,242,031**	103,242,031
	7(a)(i)	**188,524,310**	188,524,310	**103,242,031**	103,242,031

7 Equity - *CONTINUED*

(a) Share capital - *CONTINUED*

(i) Movements in ordinary shares:

DETAILS	NUMBER OF SHARES	TOTAL $
Balance at 1 July 2017	125,396,346	5,699,615
Issue at $0.80 pursuant to placement (2017-07-03)	13,808,932	11,047,146
Issue at $0.80 pursuant to placement (2017-08-15)	16,281,608	13,025,286
Issue on conversion of performance rights (2017-10-25)	10,975,612	-
Transfer from reserves on conversion of performance rights (2017-10-25)	-	1,378,807
Issue at $4.00 pursuant to placement (2017-12-19)	18,986,927	75,947,708
Issue on exercise of unlisted options (2017-12-27; 2018-01-19; 2018-01-31)	3,074,885	2,100,000
Transfer from reserves on exercise of unlisted options (2017-12-27; 2018-01-19)	-	401,896
Less: Transaction costs arising on share issues	-	(6,358,427)
Balance at 30 June 2018	188,524,310	103,242,031
No movement in ordinary shares in period	**-**	**-**
Balance at 30 June 2019	**188,524,310**	**103,242,031**

(ii) Ordinary shares

Ordinary shares entitle the holder to participate in dividends, and to share in the proceeds of winding up the company in proportion to the number of and amounts paid on the shares held.

On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

Ordinary shares have no par value and the company does not have a limited amount of authorised capital.

(iii) Options

Information relating to options, including details of options issued, exercised and lapsed during the financial year and options outstanding at the end of the reporting period, is set out in notes 7(b) and 18.

7 Equity - *CONTINUED*

(b) Other reserves

The following table shows a breakdown of the consolidated statement of financial position line item ‘other reserves’ and the movements in these reserves during the year. A description of the nature and purpose of each reserve is provided below the table.

	NOTES	SHARE-BASED PAYMENTS $'000	PERFORMANCE RIGHTS $'000	FOREIGN CURRENCY TRANSLATION $'000	TOTAL OTHER RESERVES $'000
At 1 July 2017		**1,166**	**597**	**-**	**1,763**
Currency translation differences		-	-	(263)	(263)
Other comprehensive income		-	-	(263)	(263)
Transactions with owners in their capacity as owners					
Options issued/expensed	7(b)(ii)	2,543	-	-	2,543
Options exercised	7(b)(ii)	(402)	-	-	(402)
Options lapsed	7(b)(ii)	(220)	-	-	(220)
Performance rights issued/expensed	7(b)(iii)	-	2,316	-	2,316
Performance rights converted to ordinary shares	7(b)(iii)	-	(1,378)	-	(1,378)
At 30 June 2018		**3,087**	**1,535**	**(263)**	**4,359**

	NOTES	SHARE-BASED PAYMENTS $'000	PERFORMANCE RIGHTS $'000	FOREIGN CURRENCY TRANSLATION $'000	TOTAL OTHER RESERVES $'000
At 1 July 2018		**3,087**	**1,535**	**(263)**	**4,359**
Currency translation differences		**-**	**-**	**(856)**	**(856)**
Other comprehensive income		**-**	**-**	**(856)**	**(856)**
Transactions with owners in their capacity as owners					
Options issued/expensed	7(b)(ii)	**1,898**	**-**	**-**	**1,898**
Options lapsed	7(b)(ii)	**(736)**	**-**	**-**	**(736)**
Performance rights issued/expensed	7(b)(iii)	**-**	**468**	**-**	**468**
Performance rights lapsed	7(b)(iii)	**-**	**(79)**	**-**	**(79)**
At 30 June 2019		**4,249**	**1,924**	**(1,119)**	**5,054**

7 Equity - *CONTINUED*

(b) Other reserves - *CONTINUED*

(i) Nature and purpose of other reserves

SHARE-BASED PAYMENTS

The share-based payment reserve records items recognised as expenses on valuation of share options issued to key management personnel, other employees and eligible contractors.

PERFORMANCE RIGHTS

The performance rights reserve records items recognised as expenses on valuation of performance rights issued to key management personnel.

FOREIGN CURRENCY TRANSLATION

Exchange differences arising on translation of the foreign controlled entity are recognised in other comprehensive income as described in note 22(d) and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed of.

(ii) Movements in options:

DETAILS	NUMBER OF OPTIONS	TOTAL $
Balance at 1 July 2017	**12,500,000**	**1,166,325**
Issue of ESOP unlisted options at $0.80, $1.00 and $1.20 (2017-07-01)	8,000,000	1,424,666
Issue of unlisted options at $1.27 pursuant to placement (2017-09-08)	3,250,000	-
Issue of unlisted options at $7.00 pursuant to placement (2017-12-27)	5,000,000	-
Exercise of unlisted options (2017-12-27; 2018-01-19; 2018-01-31)	(3,074,885)	(401,896)
Cancellation of ESOP unlisted options at $0.80, $1.00 and $1.20 (2017-11-20)	(925,115)	-
Issue of ESOP unlisted options at $0.80, $1.00 and $1.20 (2018-02-28 to 04-11)	1,475,000	36,908
Lapse of ESOP unlisted options at $0.70 (2018-06-30)	(2,000,000)	(220,030)
Amortisation of share-based payments for options issued in prior periods	-	1,081,233
Balance at 30 June 2018	**24,225,000**	**3,087,206**
Issue of ESOP unlisted options at $0.408 (2018-09-19)	**3,300,000**	**820,205**
Lapse of ESOP unlisted options at $0.80, $1.00 and $1.20 (2018-11-29)	**(1,000,000)**	**(136,632)**
Issue of ESOP unlisted options at $0.439 (2018-12-14)	**300,000**	**42,014**
Lapse of unlisted options at $1.27 pursuant to placement (2019-03-15)	**(3,250,000)**	**-**
Lapse of ESOP unlisted options at $0.408 (2019-04-26)	**(2,200,000)**	**(568,222)**
Lapse of ESOP unlisted options at $0.439 (2019-04-26)	**(250,000)**	**(31,104)**
Issue of ESOP unlisted options at $0.22 (2019-04-02)	**300,000**	**9,517**
Issue of ESOP unlisted options at $0.22 (2019-05-03)	**300,000**	**6,206**
Issue of ESOP unlisted options at $0.22 (2019-05-31)	**600,000**	**6,704**
Lapse of ESOP unlisted options at $0.80, $1.00 and $1.20	**(787,860)**	**-**
Amortisation of share-based payments for options issued in prior periods	**-**	**1,013,975**
Balance at 30 June 2019	**21,537,140**	**4,249,869**

7 Equity - CONTINUED

(b) Other reserves - CONTINUED

(iii) Movements in performance rights:

DETAILS	NUMBER OF PERFORMANCE RIGHTS	TOTAL $
Balance at 1 July 2017	**32,926,828**	**597,378**
Performance rights expense for period	309,930	66,407
Performance rights cancelled	(1,097,560)	(37,827)
Exercise of performance rights	(10,975,612)	(1,378,807)
Unallocated performance rights	513,242	67,184
Amortisation charge for Class C to F performance rights issued in prior periods	–	2,220,033
Balance at 30 June 2018	**21,676,828**	**1,534,368**
Performance rights expense for period	**-**	**468,017**
Performance rights cancelled	**-**	**(78,686)**
Balance at 30 June 2019	**21,676,828**	**1,923,699**

As part of the successful completion of the ASX listing on 9 December 2016, the group issued 32,926,828 performance rights over the ordinary shares to the key executives of the group. Each of the performance rights entitles the holder to be issued one fully paid ordinary share of the group for no cash consideration upon vesting. The performance rights will convert into ordinary shares upon achievement of six performance milestones and will expire if the milestones are not achieved within 48 months of ASX listing. A further 309,930 performance rights were issued in the financial year ended 30 June 2018. There were no additional performance rights granted in the year ended 30 June 2019.

Class A and B milestones were met in the financial year ended 30 June 2018. Accordingly, these were fully vested and converted to ordinary shares.

Class C milestones were met in November 2018 and Class D were met in the June 2019 quarter.

PERFORMANCE RIGHT CLASS	PERFORMANCE CONDITION	EXPIRY DATE
Class A	Performance rights vest on achievement of 250,000 deliveries in a calendar month	48 months
Class B	Performance rights vest on achievement of 375,000 deliveries in a calendar month	48 months
Class C	Performance rights vest on achievement of 750,000 deliveries in a calendar month	48 months
Class D	Performance rights vest on achievement of GetSwift revenue of either $5 million in a full financial year, or $1.25 million in any 3-month period ending on 31 March, 30 June, 31 October or 31 December	48 months
Class E	Performance rights vest on achievement of GetSwift revenue of either $10 million in a full financial year, or $2.5 million in any 3-month period ending on 31 March, 30 June, 31 October or 31 December	48 months
Class F	Performance rights to vest on of GetSwift revenue of either $15 million in a full financial year, or $3.75 million in any 3-month period ending on 31 March, 30 June, 31 October or 31 December	48 months

8 Cash flow information

(a) Reconciliation of loss after income tax to net cash inflow from operating activities

	NOTES	2019 $'000	2018 $'000
Loss for the period		**(19,494)**	(12,123)
Adjustments for			
Depreciation and amortisation		**567**	29
Fair value (gains)/losses on financial assets at FVPL		**-**	343
Finance costs		**28**	6
Finance income		**(1,522)**	(480)
Leave provision expense		**55**	2
Share-based payments	18(b)	**1,552**	4,859
Unrealised net foreign currency (gains)/losses		**(5,173)**	(5,702)
Change in operating assets and liabilities:			
Movement in trade and other receivables		**(1,054)**	(536)
Movement in other operating assets		**95**	(370)
Movement in trade and other payables		**(1,916)**	4,812
Movement in other operating liabilities		**51**	-
Net cash inflow (outflow) from operating activities		**(26,811)**	(9,160)

(b) Non-cash investing and financing activities

Non-cash investing and financing activities disclosed in other notes are:

- options issued to employees under the GetSwift Employee and Executive Ownership Plan for no cash consideration - note 18.

9 Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the group's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be wrong. Detailed information about each of these estimates and judgements is included in other notes together with information about the basis of calculation for each affected line item in the financial statements.

(a) Significant estimates and judgements

The areas involving significant estimates or judgements are:

- Recognition of revenue - note 2(b)(i)
- Estimated useful life of intangible assets - note 6(a)(i)
- Estimation of employee benefit obligations - note 6(b)(i)
- Estimation of fair values of intangible assets acquired in a business combination - note 12
- Estimation of fair values of contingent purchase consideration in a business combination - note 12(a)(i)
- Estimation of share-based payments - note 18(a)(i)

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

10 Financial risk management

This note explains the group's exposure to financial risks and how these risks could affect the group's future financial performance.

The group's risk management is predominantly controlled by the board. The board monitors the group's financial risk management policies and exposures and approves substantial financial transactions. It also reviews the effectiveness of internal controls relating to market risk, credit risk and liquidity risk.

(a) Market risk

(i) Foreign exchange risk

The group undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations. The group is primarily exposed to changes in USD/AUD. However, the majority of the group's financial assets and financial liabilities denominated in United States dollars occur in subsidiaries with the United States dollar as the functional currency. Therefore, management has concluded that market risk from foreign exchange fluctuation is not material.

(ii) Cash flow and fair value interest rate risk

The group's main interest rate risk arises from cash and cash equivalents and other financial assets at amortised cost held, which expose the group to cash flow interest rate risk. During 2019 and 2018, the group's cash and cash equivalents and other financial assets at amortised cost at variable rates were denominated in Australian and United States dollars.

The group's exposure to interest rate risk at the end of the reporting period, expressed in Australian dollars, was as follows:

	2019 $'000	2018 $'000
Financial instruments with cash flow risk		
Cash and cash equivalents (AUD denominated)	**547**	20,365
Cash and cash equivalents (USD denominated)	**68,262**	15,480
Financial assets at amortised cost (USD denominated)	**-**	60,876
	68,809	96,721

SENSITIVITY

Profit or loss is sensitive to higher/lower interest income from cash and cash equivalents as a result of changes in interest rates.

	IMPACT ON LOSS FOR THE PERIOD		IMPACT ON OTHER COMPONENTS OF EQUITY	
	2019 $'000	2018 $'000	2019 $'000	2018 $'000
AUD denominated: interest rates - change by 20 basis points (2018: 21 basis points)*	**1**	43	**-**	-
USD denominated: interest rates - change by 87 basis points (2018: 53 basis points)*	**594**	405	**-**	-

** Holding all other variables constant*

For AUD denominated financial instruments with cash flow risk, the use of 0.20 percent (2018: 0.21 percent) was determined based on analysis of the Reserve Bank of Australia cash rate change, on an absolute value basis, at 30 June 2019 and the previous four balance dates. The average cash rate at these balance dates was 1.60 percent (2018: 1.85 percent). The average change to the cash rate between balance dates was 12.69 percent (2018: 11.18 percent). By multiplying these two values, the interest rate risk was derived.

10 Financial risk management - *CONTINUED*

(a) Market risk - *CONTINUED*

(ii) Cash flow and fair value interest rate risk - CONTINUED

For USD denominated financial instruments with cash flow risk, the use of 0.87 percent (2018: 0.53 percent) was determined based on analysis of the Federal Reserve funds rate change, on an absolute value basis, at 30 June 2019 and the previous four balance dates. The average cash rate at these balance dates was 1.30 percent (2018: 0.85 percent). The average change to the cash rate between balance dates was 67.00% percent (2018: 62.00% percent). By multiplying these two values, the interest rate risk was derived.

Loss is more sensitive to movements in interest rates in 2019 than 2018 due to increased higher amounts of USD denominated cash and cash equivalents and the higher interest rate used for the USD sensitivity analysis. The groups exposure to other classes of financial instruments with cash flow risk is not material.

(b) Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the group.

(i) Risk management

Credit risk is managed through the nature of revenue collection and the maintenance of internal procedures. All pay-as-you-go (PAYG) sales are required to be settled using major credit cards, mitigating credit risk. Given PAYG customer sales are prepaid, management determines credit risk to be low. Contracted customer payments are settled in arrears at the end of each payment period by debiting the credit card or other electronic payment method on file.

For contracted customers, management further manages credit risk through procedures including regular monitoring of failed direct debits and the financial stability of significant customers and counterparties, ensuring to the extent possible that customers and counterparties to transactions are of sound credit worthiness. Such monitoring is used in assessing receivables for impairment.

Risk is also minimised through investing surplus funds in financial institutions that maintain a high credit rating.

(ii) Security

For some trade receivables the group may obtain security in the form of guarantees, deeds of undertaking or letters of credit which can be called upon if the counterparty is in default under the terms of the agreement.

(iii) Impairment of financial assets

The group has one type of financial asset subject to the expected credit loss model:

- trade receivables for sales from the provision of delivery management services

While cash and cash equivalents and other financial assets at amortised cost (comprising deposits at call) are also subject to the impairment requirements of AASB 9, the identified impairment loss was immaterial.

TRADE RECEIVABLES

The group applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

To measure the expected credit losses, trade receivables assets have been grouped based on shared credit risk characteristics and the days past due.

The expected loss rates are based on the payment profiles of sales over a period of 24 months before 30 June 2019 and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

On that basis, the loss allowance as at 30 June 2019 was determined to be $28,518 for trade receivables.

10 Financial risk management - *CONTINUED*

(b) Credit risk - *CONTINUED*

(iii)Impairment of financial assets - *CONTINUED*

TRADE RECEIVABLES - *CONTINUED*

Trade receivables and contract assets are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the group, and a failure to make contractual payments for a period of greater than 121 days past due.

Impairment losses on trade receivables and contract assets are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

PREVIOUS ACCOUNTING POLICY FOR IMPAIRMENT OF TRADE RECEIVABLES

In the prior year, the impairment of trade receivables was assessed based on the incurred loss model. Individual receivables which were known to be uncollectible were written off by reducing the carrying amount directly. The other receivables were assessed collectively to determine whether there was objective evidence that an impairment had been incurred but not yet been identified. For these receivables the estimated impairment losses were recognised in a separate provision for impairment. The group considered that there was evidence of impairment if any of the following indicators were present:

- significant financial difficulties of the debtor
- probability that the debtor will enter bankruptcy or financial reorganisation, and
- default or late payments (more than 121 days overdue).

Receivables for which an impairment provision was recognised were written off against the provision when there was no expectation of recovering additional cash.

(c) Liquidity risk

Liquidity risk arises from the possibility that the group might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The group manages this risk through the following mechanisms:

- preparing forward looking cash flow analyses in relation to its operating, investing and financing activities;
- obtaining funding from a variety of sources;
- maintaining a reputable credit profile;
- managing credit risk related to financial assets;
- investing cash and cash equivalents and deposits at call with major financial institutions; and
- comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

10 Financial risk management - *CONTINUED*

(c) Liquidity risk - *CONTINUED*

(i) Maturities of financial liabilities

The tables below analyse the group's financial liabilities into relevant maturity groupings based on their contractual maturities. The amounts disclosed in the table are the contractual undiscounted cash flows. No interest is payable on these financial liabilities.

CONTRACTUAL MATURITIES OF FINANCIAL LIABILITIES	LESS THAN 6 MONTHS	6 – 12 MONTHS	BETWEEN 1 AND 2 YEARS	BETWEEN 2 AND 5 YEARS	OVER 5 YEARS	TOTAL CONTRACTUAL CASH FLOWS	CARRYING AMOUNT (ASSETS)/ LIABILITIES
AT 30 JUNE 2019	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Trade and other payables	**4,471**	**–**	**–**	**–**	**–**	**4,471**	**4,471**
Total	**4,471**	**–**	**–**	**–**	**–**	**4,471**	**4,471**

CONTRACTUAL MATURITIES OF FINANCIAL LIABILITIES	LESS THAN 6 MONTHS	6 – 12 MONTHS	BETWEEN 1 AND 2 YEARS	BETWEEN 2 AND 5 YEARS	OVER 5 YEARS	TOTAL CONTRACTUAL CASH FLOWS	CARRYING AMOUNT (ASSETS)/ LIABILITIES
AT 30 JUNE 2018	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Trade and other payables	4,942	–	–	–	–	4,942	4,942
Total	**4,942**	**–**	**–**	**–**	**–**	**4,942**	**4,942**

11 Capital management

(a) Risk management

The group's objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the group may issue new shares or reduce its capital, subject to the provisions of the group's constitution. The capital structure of the group consists of equity attributed to equity holders of the group, comprising contributed equity, reserves and accumulated losses. By monitoring undiscounted cash flow forecasts and actual cash flows provided to the board by the group's management, the board monitors the need to raise additional equity from the equity markets.

(b) Dividends

No dividends were declared or paid to members for the year ended 30 June 2019 (2018: nil). The group's franking account balance was nil at 30 June 2019 (2018: nil).

12 Business combination

(a) Summary of acquisition

On 19 February 2019, the GetSwift, Inc. acquired the Delivery Biz Pro business from Delivery Biz Pro, LLC and workforce scheduling provider Scheduling+ from Web Software, LLC. Assets acquired comprised 100% of the issued share capital of MarketPlace Connect Pty Ltd, all licences and intellectual property, employees and business relationships. The acquisition has significantly increased the group's revenues and cash collected.

Details of the purchase consideration, the net assets acquired and goodwill are as follows:

	$'000
Purchase consideration (refer to (b) below):	
Cash paid	**6,624**
Deferred cash payments	**1,256**
Contingent consideration	**381**
Total purchase consideration	**8,261**

The assets and liabilities recognised as a result of the acquisition are as follows:

	FAIR VALUE $'000
Cash	**9**
Trade and other receivables	**34**
Trade and other payables	**(73)**
Customer lists and contracts	**3,922**
Software	**1,800**
Trademarks and other rights	**169**
Net identifiable assets acquired	**5,861**
Add: goodwill	**2,401**
Net assets acquired	**8,262**

The goodwill is attributable to the workforce and the high revenues of the acquired business. It will not be deductible for tax purposes.

There were no acquisitions in the year ending 30 June 2018.

(i) Significant estimate: contingent consideration

In the event that certain pre-determined sales volumes are achieved by the subsidiary for the calendar years ending 31 December 2019 and 31 December 2020, additional consideration of 25% per year of gross revenue above US$1.5 million may be payable in cash 70 days after these calendar year end dates.

The fair value of the contingent consideration of $381,008 (US$271,011) was estimated by calculating the present value of the future expected cash flows. The estimates are based on a discount rate of 16.4%.

12 Business combination - *CONTINUED*

(a) Summary of acquisition - *CONTINUED*

(ii) Revenue and profit contribution

The acquired business contributed revenues of $906,406 to the group for the period from 19 February 2019 to 30 June 2019.

	2019 $'000	2018 $'000
Outflow of cash to acquire subsidiary, net of cash acquired		
Cash consideration	**6,624**	–
Deferred cash payments paid in period		
Less: Balances acquired	**361**	–
Cash	**(9)**	–
Net outflow of cash - investing activities	**6,976**	–

ACQUISITION-RELATED COSTS

Acquisition-related costs of $210,853 are included in general and administrative expenses in profit or loss and in operating cash flows in the consolidated statement of cash flows.

13 Interests in other entities

(a) Material subsidiaries

The group's principal subsidiaries at 30 June 2019 are set out below. Unless otherwise stated, they have share capital consisting solely of ordinary shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

NAME OF ENTITY	PLACE OF BUSINESS/ COUNTRY OF INCORPORATION	OWNERSHIP INTEREST HELD BY THE GROUP	
		2019 %	2018 %
Get Swift Logistics Pty Ltd	Australia	**100**	100
GetSwift, Inc.	United States	**100**	100
GetSwift DOO	Serbia	**100**	–
Marketplace Connect Pty Ltd	Australia	**100**	–
Liquorun Pty Ltd	Australia	**100**	100
Distributed Logistics Pty Ltd	Australia	**100**	100

14 Contingent liabilities

(a) Class action

As previously advised, the Full Court of the Federal Court of Australia delivered judgement on 20 November 2018 affirming that two of the three competing class actions against the company ought to be permanently stayed with only one, the Webb Proceeding, continuing.

A subsequent application for leave to appeal to the High Court of Australia, filed by Squire Patton Boggs (AU) in relation to one of the permanently stayed proceedings, was refused. This decision brought finality to the multiplicity process and confirmed that the Webb Proceeding was to be the sole class action proceeding against the company. The two permanently stayed proceedings were ordered to pay the company's legal costs which were incurred as a result of the appeal processes. In line with those orders, the company is taking steps to recover costs associated with the special leave application in the High Court. The company has also taken steps to recover costs associated with the appeal to the Full Court of the Federal Court. In that regard, the company recovered costs in relation to the McTaggart class action, and has filed a bill of costs for taxation in relation to the Perera class action.

The Webb Proceeding alleges that the company and its director Mr Macdonald failed to meet their continuous disclosure obligations and engaged in misleading and deceptive conduct.

The company and Mr Macdonald strongly dispute the allegations made in the Webb Proceeding (including as to any alleged loss) and will continue to vigorously defend the proceedings. The company has filed its defence in the Webb Proceeding and has named Squire Patton Boggs (AU) as a concurrent wrongdoer.

On 7 February 2019, the Court ordered, amongst other things:

- that an opt out notice be issued to group members (being those persons who acquired shares in GetSwift Limited during the period relevant to the allegation in the Webb Proceeding of 24 February 2017 to January 2018 inclusive) by 21 February 2019;
- that the opt out deadline be fixed as 28 March 2019, and
- that mediation commence by no later than 18 April 2019.

A number of group members elected to submit opt out notices to the Federal Court Registry notifying their intention not to be involved in the Webb Proceeding. The parties engaged in mediation in accordance with the orders. No settlement was reached. The parties are now engaging in discovery and preparing evidence.

On 24 April 2019, the Court ordered that the Webb Proceeding be listed to proceed to trial on 17 August 2020.

To date, the applicant in the Webb Proceeding has not provided any information, in the pleadings or otherwise, to quantify the loss allegedly suffered by the applicant. Comments in open court by lawyers for the permanently stayed proceedings however, indicated that the alleged total quantum of their claims was, at its highest, approximately $75 million.

There are many important steps that need to occur before any liability is imposed on the company or Mr Macdonald in relation to the allegations in the Webb Proceeding. No provision has been taken in these accounts. Legal fees will be incurred in defending the matter as it proceeds.

(b) ASIC proceedings

As previously advised, on 22 February 2019, the Australian Securities and Investments Commission (ASIC) commenced civil penalty proceedings in the Federal Court of Australia against the company and two of its directors: Mr Joel Macdonald and Mr Bane Hunter. On 15 March 2019, ASIC amended their claim to include former GetSwift Limited director and corporate counsel, Mr Brett Eagle, as an additional defendant. The ASIC Proceeding alleges that the defendants failed to meet their continuous disclosure obligations and engaged in misleading and deceptive conduct. The claims relate to conduct alleged to have occurred between February and December 2017.

ASIC seeks pecuniary penalties against each of the defendants as well as orders against Mr Macdonald, Mr Hunter and Mr Eagle disqualifying them from managing corporations for a period of time.

The trial of the ASIC Proceeding has been listed to commence on 9 June 2020. The parties are currently engaging in discovery and preparing evidence.

The company, Mr Macdonald, Mr Hunter and Mr Eagle vehemently deny the allegations made by ASIC and will vigorously defend the proceedings.

14 Contingent liabilities - *CONTINUED*

(b) ASIC proceedings - *CONTINUED*

On 29 April 2019, the company was served by ASIC with a notice to produce documents in relation to the vesting of management performance rights by the company during the period 1 July 2017 to 31 December 2018. The company is very confident with respect of this notice and is engaging with the regulator.

No provision has been taken in these accounts. At the present time, it is not possible to predict the ultimate outcome of these proceedings. Legal fees will be incurred in relation to defending the proceedings.

15 Commitments

(a) Non-cancellable operating leases

The group leases various offices under non-cancellable operating leases expiring within 8 and 30 months. The leases have varying terms, escalation clauses and renewal rights. On renewal, the terms of the leases are renegotiated.

	2019 $'000	2018 $'000
Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:		
Within one year	**524**	391
Later than one year but not later than five years	**403**	-
	927	391

16 Events occurring after the reporting period

No matter or circumstance has occurred subsequent to period end that has significantly affected, or may significantly affect, the operations of the group, the results of those operations or the state of affairs of the group or economic entity in subsequent financial years.

17 Related party transactions

(a) Subsidiaries

Interests in subsidiaries are set out in note 13(a).

(b) Key management personnel compensation

	2019 $	2018 $
Short-term employee benefits	**2,330,445**	1,584,411
Post-employment benefits	**89,901**	10,342
Share-based payments	**1,438,151**	4,827,836
	3,858,497	6,422,589

Detailed remuneration disclosures are provided in the remuneration report contained within the directors' report.

17 Related party transactions - *CONTINUED*

(c) Transactions with other related parties

The following transactions occurred with related parties:

	2019 $	2018 $
Sales and purchases of goods and services		
Purchases of various goods and services from entities controlled by key management personnel (i)	**204,000**	642,545

(i) Purchases from entities controlled by key management personnel

The group acquired the following goods and services from entities that are controlled by members of the group's key management personnel:

- corporate governance consultancy services
- legal services

Eagle Corporate Advisers Pty. Ltd. (ECA), an incorporated legal practice directed and owned by Mr Brett Eagle (director of GetSwift Limited until 29 November 2018), was engaged to provide legal and advisory services to the group. The scope of this engagement included the provision of personnel to take on executive functions and holding positions within the group's business including as a director, other corporate officer and executive or non-executive positions. In the current financial year, ECA provided Mr Brett Eagle to take the title of General Counsel & Corporate Affairs and was paid fees in this respect.

In August 2018, ECA agreed to terminate the engagement in August 2019. For the 12 month balance of the agreement, ECA received monthly payments of $17,000 plus GST (less applicable taxes and deductions, if any) and Mr Brett Eagle continued to be made available to assist the group in accordance with the terms of the engagement.

All transactions were made on normal commercial terms, under normal conditions and at market rates.

(d) Loans to/from related parties

There were no loans to/from related parties in the year ended 30 June 2019 (2018: nil).

18 Share-based payments

(a) GetSwift Employee and Executive Ownership Plan

The establishment of the 'GetSwift Employee and Executive Ownership Plan' was approved by shareholders at the extraordinary general meeting held on 9 August 2017. The plan is designed to provide long-term incentives for employees (including directors) to deliver long-term shareholder returns. Participation in the plan is at the board's discretion and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits.

18 Share-based payments - CONTINUED

(a) GetSwift Employee and Executive Ownership Plan - CONTINUED

Share options outstanding at the end of the year have the following expiry date and exercise prices:

GRANT DATE	EXPIRY DATE	EXERCISE PRICE ($)	SHARE OPTIONS 30 JUNE 2019	SHARE OPTIONS 30 JUNE 2018
2016-12-07	2020-12-07	**0.20**	**7,500,000**	7,500,000
2017-07-01	2021-08-14	**0.80**	**2,000,000**	2,333,335
2017-07-01	2021-08-14	**1.00**	**2,000,000**	2,333,333
2017-07-01	2021-08-14	**1.20**	**2,000,000**	2,333,332
2017-09-08	2019-05-15	**1.27**	**-**	3,250,000
2017-12-27	2020-12-18	**7.00**	**5,000,000**	5,000,000
Various grant dates in FY 2018	various	**various**	**687,140**	1,475,000
2018-08-31	2028-09-19	**0.408**	**1,100,000**	-
2018-12-14	2028-12-14	**0.439**	**50,000**	-
2019-04-02	2029-04-02	**0.22**	**300,000**	-
2019-05-03	2029-05-03	**0.22**	**300,000**	-
2019-05-31	2029-05-31	**0.22**	**600,000**	-
Total			**21,537,140**	24,225,000

Notes

- *'Various grant dates in FY 2018' options have exercise prices between $0.80 and $1.20 and expiry dates between 2023 and 2033.*
- *The weighted average remaining contractual life of options outstanding as at 30 June 2019 is 9 years, 6 months. The average exercise price per share option as at 30 June 2019 is $0.372.*

(i) Fair value of options granted

The assessed fair value of options at grant date was determined using the binomial option pricing model that takes into account the exercise price, term of the option, security price at grant date and expected price volatility of the underlying security, the expected dividend yield, the risk-free interest rate for the term of the security and certain probability assumptions.

The model inputs for options granted during the year ended 30 June 2019 included:

GRANT DATE	EXPIRY DATE	EXERCISE PRICE ($)	NO. OF OPTIONS	SHARE PRICE AT GRANT DATE ($)	EXPECTED VOLATILITY	DIVIDEND YIELD	RISK-FREE INTEREST RATE	FAIR VALUE AT GRANT DATE PER OPTION ($)
2018-08-31	2028-09-19	**0.408**	**3,300,000**	**0.415**	**84.50%**	**0.00%**	**2.02%**	**0.2519**
2018-12-14	2028-12-14	**0.439**	**300,000**	**0.439**	**84.50%**	**0.00%**	**1.98%**	**0.2445**
2019-04-02	2029-04-02	**0.220**	**300,000**	**0.220**	**95.00%**	**0.00%**	**1.30%**	**0.1335**
2019-05-03	2029-05-03	**0.220**	**300,000**	**0.220**	**95.00%**	**0.00%**	**1.30%**	**0.1344**
2019-05-31	2029-05-31	**0.220**	**600,000**	**0.220**	**95.00%**	**0.00%**	**1.30%**	**0.1412**
			4,800,000					

Notes to the financial statements

18 Share-based payments - *CONTINUED*

(b) Expenses arising from share-based payment transactions

Total expenses arising from share-based payment transactions recognised during the period were as follows:

	2019 $	2018 $
Options issued under GetSwift Employee and Executive Ownership Plan	**1,162,663**	2,486,066
Performance rights	**389,331**	2,372,538
	1,551,994	4,858,604

19 Remuneration of auditors

During the year the following fees were paid or payable for services provided by the auditor of the parent entity, its related practices and non-related audit firms:

	2019 $	2018 $
(a) RSM Australia Partners		
(i) Audit and other assurance services		
Audit and review of financial statements	**111,428**	67,000
Total remuneration for audit and other assurance services	**111,428**	67,000
(ii) Taxation services		
Tax compliance services	**51,950**	-
Total remuneration for taxation services	**51,950**	-
(b) Network firms of RSM Australia Partners		
(i) Other services		
Tax compliance services	**74,498**	-
Total remuneration of network firms of RSM Australia Partners	**74,498**	-
Total auditors' remuneration	**237,876**	67,000

It is the group's policy to employ RSM Australia Partners on assignments additional to their statutory audit duties where RSM Australia Partners' expertise and experience with the group are important. These assignments are principally tax advice.

20 Loss per share

(a) Reconciliation of loss used in calculating loss per share

	2019 $'000	2018 $'000
Basic and diluted loss per share		
Loss attributable to the ordinary equity holders of the company used in calculating loss per share:		
From continuing operations	**19,494**	12,123

(b) Weighted average number of shares used as the denominator

	2019 NUMBER	2018 NUMBER
Weighted average number of ordinary shares used as the denominator in calculating basic and diluted loss per share	**188,524,310**	170,424,251
Adjustments for calculation of diluted earnings per share:		
Options	**21,537,140**	24,225,000
Pro forma weighted average number of ordinary and potential ordinary shares that would have been used as the denominator in calculating diluted loss per share[1]	**210,061,450**	194,649,251

Notes

1. *On the basis of the group's losses, the outstanding options as at 30 June 2019 and 30 June 2018 are considered to be anti-dilutive and therefore were excluded from the diluted weighted average number of ordinary shares calculation.*

21 Parent entity financial information

(a) Summary financial information

The individual financial statements for the parent entity show the following aggregate amounts:

	2019 $'000	2018 $'000
Balance sheet		
Current assets	**915**	1,104
Non-current assets	**89,251**	97,778
Total assets	**90,166**	98,882
Current liabilities	**33**	1,116
Total liabilities	**33**	1,116
Shareholders' equity		
Share capital	**103,241**	103,241
Reserves		
Performance rights	**1,923**	1,534
Share-based payments	**4,250**	3,087
Accumulated losses	**(19,281)**	(10,100)
	90,133	97,762
Loss for the period	**9,185**	9,525
Total comprehensive loss	**9,185**	9,525

(b) Guarantees entered into by the parent entity

The parent entity has not entered into any guarantees in relation to debts of its subsidiaries in the year ended 30 June 2019 (2018: nil).

(c) Contingent liabilities of the parent entity

The parent had contingent liabilities at 30 June 2019 identical to those of the group, as outlined in note 15.

(d) Contractual commitments for the acquisition of property, plant or equipment

The parent entity has not entered into any contractual commitments for the acquisition of property, plant or equipment in the year ended 30 June 2019 (2018: nil).

(e) Determining the parent entity financial information

The financial information for the parent entity has been prepared on the same basis as the consolidated financial statements, except as set out below.

(i) Investments in subsidiaries

Investments in subsidiaries are accounted for at cost in the financial statements of GetSwift Limited.

22 Summary of significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements to the extent they have not already been disclosed in the other notes above. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for the group consisting of GetSwift Limited and its subsidiaries.

(a) 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 and the *Corporations Act 2001*. GetSwift Limited is a for-profit entity for the purpose of preparing the financial statements.

(i) Compliance with IFRS

The consolidated financial statements of the GetSwift Limited group also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis.

(iii) New and amended standards adopted by the group

The group has applied the following standards and amendments for the first time for their annual reporting period commencing 1 July 2018:

- AASB 9 *Financial Instruments*
- AASB 15 *Revenue from Contracts with Customers*

(iv) New standards and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2019 reporting periods and have not been early adopted by the group. The group's assessment of the impact of these new standards and interpretations is set out below.

Title of standard	**AASB 16 *Leases***
Nature of change	AASB 16 was issued in February 2016. It will result in almost all leases being recognised on the balance sheet by lessees, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases
Impact	The group has reviewed all leasing arrangements in light of the new lease accounting rules in AASB 16. The standard will affect the accounting for the group's operating leases. As at the reporting date, the group has non-cancellable operating lease commitments of $927,348, see note 15(a). The group expects to recognise right-of-use assets of approximately $801,226 on 1 July 2019 and lease liabilities of $844,145 (after adjustments for prepayments and accrued lease payments recognised as at 30 June 2019). Overall net assets will be approximately $42,919 lower, and net current assets will be $327,598 lower due to the presentation of a portion of the liability as a current liability. The group expects that net profit after tax will decrease by approximately $9,113 for the year ended 30 June 2020 as a result of adopting the new rules. Operating cash flows will increase and financing cash flows decrease by approximately $516,547 as repayment of the principal portion of the lease liabilities will be classified as cash flows from financing activities. The group does not act in the capacity as a lessor and hence the group does not expect any lessor impact on the financial statements.
Mandatory application date/ Date of adoption by group	The group will apply the standard from its mandatory adoption date of 1 July 2019. The group intends to apply the modified retrospective transition approach and will not restate comparative amounts for the year prior to first adoption. Right-of-use assets will be measured at the amount of the lease liability on adoption (adjusted for any prepaid or accrued lease expenses).

Notes to the financial statements

22 Summary of significant accounting policies - *CONTINUED*

(a) Basis of preparation - *CONTINUED*

(iv) New standards and interpretations not yet adopted - CONTINUED

There are no other new standards and interpretations that are not yet effective and that would be expected to have a material impact on the group in the current or future reporting periods and on foreseeable future transactions.

(b) Principles of consolidation

(i) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the group.

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

(c) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. This has been identified as the chief executive officer.

(d) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Australian dollar ($), which is GetSwift Limited's functional and presentation currency.

(ii) Transactions and balances

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

Foreign exchange gains and losses that relate to borrowings are presented in the consolidated statement of profit or loss, within finance costs. All other foreign exchange gains and losses are presented in the consolidated statement of profit or loss on a net basis within other gains/(losses).

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equities classified as at fair value through other comprehensive income are recognised in other comprehensive income.

22 Summary of significant accounting policies - *CONTINUED*

(d) Foreign currency translation - *CONTINUED*

(iii) Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each consolidated statement of financial position presented are translated at the closing rate at the date of that consolidated statement of financial position
- income and expenses for each consolidated statement of profit or loss and consolidated statement of profit or loss and other comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

(e) Revenue recognition

The accounting policies for the group's revenue from contracts with customers are explained in note 2.

(f) Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

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

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(g) Leases

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the group as lessee are classified as operating leases (note 15). Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

(h) Impairment of assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested 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. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

22 Summary of significant accounting policies - *CONTINUED*

(i) Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, 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, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the consolidated statement of financial position.

(j) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less loss allowance. See note 5(b) for further information about the group's accounting for trade receivables and note 10(b) for a description of the group's impairment policies.

(k) Investments and other financial assets

(i) Classification

From 1 July 2018, the group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

(ii) Recognition and derecognition

Purchases and sales of financial assets are recognised on trade-date, the date on which the group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the group has transferred substantially all the risks and rewards of ownership.

(iii)Measurement

At initial recognition, the group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

22 Summary of significant accounting policies - *CONTINUED*

(k) Investments and other financial assets - *CONTINUED*

(iii) Measurement - *CONTINUED*

DEBT INSTRUMENTS

Subsequent measurement of debt instruments depends on the group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the group classifies its debt instruments:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the consolidated statement of profit or loss.
- FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the consolidated statement of profit or loss.
- FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

(iv) Impairment

The group assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

(v) Income recognition Interest income

Interest income is recognised using the effective interest method. When a receivable is impaired, the group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loans is recognised using the original effective interest rate.

(l) Plant and equipment

Plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 22(h)).

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss.

Notes to the financial statements

22 Summary of significant accounting policies - *CONTINUED*

(m) Intangible assets

(i) Goodwill

Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, being the operating segments.

(ii) Trademarks, licences and customer contracts

Separately acquired trademarks and licences are shown at historical cost. Trademarks, licenses and customer contracts acquired in a business combination are recognised at fair value at the acquisition date. They have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses.

(iii) Software

Separately acquired software is shown at historical cost. Software acquired in a business combination is recognised at fair value at the acquisition date. They have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses.

(iv) Research and development

Expenditure on research activities, undertaken with the prospect of obtaining new scientific or technical knowledge and understanding, is recognised in the consolidated statement of profit or loss and other comprehensive income as an expense when it is incurred.

Expenditure on development activities, being the application of research findings or other knowledge to a plan or design for the production of new or substantially improved products or services before the start of commercial production or use, is capitalised if it is probable that the product or service is technically and commercially feasible, will generate probable economic benefits, adequate resources are available to complete development and cost can be measured reliably. Other development expenditure is recognised in the consolidated statement of profit or loss and other comprehensive income as an expense as incurred.

(v) Amortisation methods and periods

Refer to note 6(a) for details about amortisation methods and periods used by the group for intangible assets.

(n) Trade and other payables

These amounts represent liabilities for goods and services provided to the group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(o) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

22 Summary of significant accounting policies - *CONTINUED*

(o) Employee benefits - *CONTINUED*

(ii) Other long-term employee benefit obligations

In some countries, the group also has liabilities for long service leave and annual leave that are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. These obligations are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period of high-quality corporate bonds with terms and currencies that match, as closely as possible, the estimated future cash outflows. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Share-based payments

Share-based compensation benefits are provided to employees via the 'GetSwift Employee and Executive Ownership Plan'. Information relating to these schemes is set out in note 18.

EMPLOYEE OPTIONS

The fair value of options granted under the GetSwift Employee and Executive Ownership Plan is recognised as a share-based payment expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (e.g. the company's share price)
- excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the company over a specified time period), and
- including the impact of any non-vesting conditions (e.g. the requirement for employees to save or hold shares for a specific period of time).

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

(p) Contributed equity

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.

(q) Loss per share

(i) Basic loss per share

Basic loss per share is calculated by dividing:

- the loss attributable to owners of the company, excluding any costs of servicing equity other than ordinary shares
- by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

22 Summary of significant accounting policies - *CONTINUED*

(q) Loss per share - *CONTINUED*

(ii) 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 additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

(r) Rounding of amounts

The company is of a kind referred to in ASIC Legislative Instrument 2016/191, relating to the 'rounding off' of amounts in the financial statements. Amounts in the financial statements have been rounded off in accordance with the instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

(s) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of 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 taxation authority is included with other receivables or payables in the consolidated 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 taxation authority, are presented as operating cash flows.

23 Changes in accounting policies

This note explains the impact of the adoption of AASB 9 *Financial Instruments* and AASB 15 *Revenue from Contracts with Customers* on the group's financial statements.

(a) AASB 9 Financial Instruments – impact of adoption

AASB 9 *Financial Instruments* replaces AASB 139 *Financial Instruments*: *Recognition and Measurement* for annual periods beginning on or after 1 January 2018, bringing together all three aspects of the accounting for financial instruments: classification and measurement, impairment and hedge accounting. The adoption of this standard has not materially impacted the amounts disclosed in these financial statements.

(i) Classification and measurement

Except for certain trade receivables, under AASB 9, the group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

Under AASB 9, debt financial instruments are subsequently measured at fair value through profit or loss (FVPL), amortised cost, or fair value through other comprehensive income (FVOCI). The classification is based on two criteria: the group's business model for managing the assets; and whether the instruments' contractual cash flows represent 'solely payments of principal and interest' on the principal amount outstanding (the 'SPPI criterion').

The new classification and measurement of the group's debt financial assets are as follows:

- Debt instruments at amortised cost for financial assets that are held within a business model with the objective to hold the financial assets in order to collect contractual cash flows that meet the SPPI criterion. This category comprises trade receivables and other financial assets at amortised cost (deposits at call).

23 Changes in accounting policies - CONTINUED

(a) AASB 9 Financial Instruments – impact of adoption - CONTINUED

(i) Classification and measurement - CONTINUED

The assessment of the group's business models was made as of the date of initial application, 1 July 2018 and then applied retrospectively to those financial assets that were not derecognised before 1 July 2018. The assessment of whether contractual cash flows on debt instruments are solely comprised of principal and interest was made based on the facts and circumstances as at the initial recognition of the assets. There has been no adjustment made to the amounts disclosed as a result of the application of this standard.

(ii) Impairment of financial assets

The adoption of AASB 9 has altered the group's accounting for impairment losses for financial assets by replacing AASB 139's incurred loss approach with a forward-looking expected credit loss (ECL) approach.

AASB 9 requires the group to record an allowance for ECLs for all loans and other debt financial assets not held at FVPL.

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the group expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest rate.

For contract assets and trade and other receivables, the group has applied the standard's simplified approach and has calculated ECLs based on lifetime expected credit losses. The group has established a provision matrix that is based on the group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The adoption of the ECL requirements of AASB 9 has not resulted in any material change in impairment allowances of the group's debt financial assets.

(b) AASB 9 Financial Instruments – accounting policies applied

Investments and other financial assets

The accounting policies applied by the group from 1 July 2018 are set out in note 22(k).

Trade receivables

The accounting policies applied by the group from 1 July 2018 are set out in note 22(j).

(c) AASB 15 Revenue from Contracts with Customers – impact of adoption

AASB 15 supersedes AASB 111 *Construction Contracts*, AASB 118 *Revenue* and related interpretations and it applies to all revenue arising from contracts with customers, unless those contracts are in the scope of other standards. The new standard establishes a five-step model to account for revenue arising from contracts with customers. Under AASB 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. The adoption of AASB 15 has not impacted the amounts disclosed within the financial statements.

(d) AASB 15 Revenue from Contracts with Customers – accounting policies applied

Revenue recognition

The accounting policies applied by the group from 1 July 2018 are set out in note 22(e).

Directors' Declaration

In the directors' opinion:

(a) the financial statements and notes set out on pages 39 to 77 are in accordance with the *Corporations Act 2001*, including:

(i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements, and

(ii) giving a true and fair view of the consolidated entity's financial position as at 30 June 2019 and of its performance for the financial year ended on that date, and

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

Note 22(a) confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The directors have been given the declarations by the chief executive officer and chief financial officer required by section 295A of the *Corporations Act 2001*.

This declaration is made in accordance with a resolution of directors.

Mr Stanley Pierre-Louis
INDEPENDENT NON-EXECUTIVE CHAIRMAN

29 August 2019

Independent auditor's report to the members of GetSwift Limited

RSM Australia Partners

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INDEPENDENT AUDITOR'S REPORT
To the Members of GetSwift Limited

Opinion

We have audited the financial report of GetSwift Limited (the Company), and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2019, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year 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 Group is in accordance with the Corporations Act 2001, including:

(i) giving a true and fair view of the Group's financial position as at 30 June 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 Group in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the 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. 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 the audit addressed this matter
Share-based payments *Refer to Note 18 in the financial statements*	
GetSwift Limited issues numerous performance rights and options to employees as part of their long-term incentives. We identified share-based payment expenses as an area of significant risk due to the complexity and the volume of the options and performance rights issued. An element of subjectivity also exists in respect of management's assessment around achievement of milestones relating to performance rights. During the financial year the milestones for the Class C and D performance rights have been met. This triggered the right to receive the shares. Management made further assessments of the remaining performance rights (Class E & F) in relation to when the respective milestones would be met which resulted in a further adjustment to increase the performance rights expense for the period. There is a risk that the performance rights and options have both been valued and calculated incorrectly and not in accordance *with AASB 2 Share based payments.*	Our audit procedures in relation to the accounting for these options and performance rights included: • Reviewing the calculations to ensure that accounting for the share-based payments was appropriate and in accordance with *AASB 2 Share Based Payments;* • Reviewing management's assessment of the remaining performance rights (Classes E & F) in respect of the remaining period that the milestones are expected to be achieved in light of the Company's forecast performance; • Reviewing the option valuation inputs in the Binomial Model, which included assessing the volatility rate applied and comparing the volatility rate to entities in the similar industry as the Group; • Reviewing evidence around the Group achieving milestones C & D within the financial year; • Performing a recalculation of the option valuation model; and • Utilising the skills of our corporate finance team to assist in the review.
Contingent liabilities *Refer to Note 14 in the financial statements*	
In February 2018, and subsequent thereto, a number of class action proceedings were brought against the Company and Directors of GetSwift. The proceedings claim that the Directors withheld information from the public and thus did not follow the continuous disclosure rules of the ASX. The proceedings make claim that certain shareholders have suffered losses and seek damages from the Company and/or Directors. There is a risk that the treatment of the above matter as a contingent liability as disclosed in the financial statements is not in accordance with AASB 137 Provisions, Contingent liabilities and Contingent Assets. We identified the contingent liability in relation to the Class Actions as a significant risk due to the potential severity and materiality of the claims.	Our audit procedures in relation to the accounting for, and disclosure of, the potential contingent liabilities included: • Reviewing correspondence between the Company and its legal counsel to assess the position of the claims; • Obtaining legal representations of the claims from the company's legal counsel; • Discussing current developments of the claims with management and the Company's legal counsel; and • Assessing the claims in line with AASB 137 Provisions, Contingent liabilities and Contingent Assets to ensure that the Company has measured and disclosed the contingent liability appropriately in the financial statements

Key Audit Matters (Continued.)

Key Audit Matter	How the audit addressed this matter
Business Combinations *Refer to Note 12 in the financial statements*	
On 19 February 2019, GetSwift, Inc, a subsidiary of GetSwift Limited, acquired Delivery Biz Pro, LLC and Web Software, LLC. We identified items surrounding this acquisition as an area of significant risk due to the complexity of the transaction and the associated terms. In addition, elements of subjectivity also exist with respect to management's assessment, particularly related to the fair value of the contingent considerations potentially payable to the sellers, fair value of the assets acquired, forward-looking estimates and various discount rates for present value calculations. Beyond the current financial year, the valuation of intangible assets (including goodwill) resulting from the transaction will also impact impairment assessment in future periods, which may be a key element of focus by investors.	Our audit procedures in relation to the to the accounting for the business combination activities included: • Obtaining the business purchase agreements to understand the key terms and conditions, and ensuing that the transaction had been accounted for in compliance with AASB 3 Business Combinations; • Testing the initial consideration, through cash, shares and contingent consideration, to the signed purchase agreement and to bank statements and assessing the appropriateness of the fair value of the total consideration; • Evaluating the fair value of the contingent consideration included in the purchase price; • Assessing the forecasts used for determining the contingent consideration and comparing these against recent actual performance; • Reviewing and assessing the independent valuation report in respect of the intangible assets identified as part of the acquisition including assessing the reasonableness of the assumptions used in the report; and • Utilising the skills of our corporate finance team to assist in the assessment of the independent valuation report.

Other Information

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

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

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

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

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.

Independent auditor's report to the members of GetSwift Limited

Responsibilities of the Directors for the Financial Report (Continued.)

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

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 forms part of our auditor's report, and is located at the Auditing and Assurance Standards Board website at:

www.auasb.gov.au/auditors_responsibilities/ar2.pdf.

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 GetSwift 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

Jason Croall

J S CROALL
Partner

Dated: 28 August 2019
Melbourne, Victoria

Additional Securities Exchange Information

In accordance with ASX Listing Rule 4.10, the Company provides the following information to shareholders not elsewhere disclosed in this Annual Report. The information provided is current as at 14 October 2019 (**Reporting Date**).

Corporate Governance Statement

The Company's Directors and management are committed to conducting the Group's business in an ethical manner and in accordance with the highest standards of corporate governance. The Company has adopted and substantially complies with the ASX Corporate Governance Principles and Recommendations (Third Edition) (**Recommendations**) to the extent appropriate to the size and nature of the Group's operations.

The Company has prepared a statement which sets out the corporate governance practices that were in operation throughout the financial year for the Company, identifies any Recommendations that have not been followed, and provides reasons for not following such Recommendations (**Corporate Governance Statement**).

In accordance with ASX Listing Rules 4.10.3 and 4.7.4, the Corporate Governance Statement will be available for review on GetSwift's website (https://www.getswift.co/investors/corporate-governance/) and will be lodged together with an Appendix 4G with ASX at the same time that this Annual Report is lodged with ASX.

The Appendix 4G will particularise each Recommendation that needs to be reported against by GetSwift, and will provide shareholders with information as to where relevant governance disclosures can be found.

The Company's corporate governance policies and charters are all available on GetSwift's website (https://www.getswift.co/investors/corporate-governance/).

Substantial holders

As at the Reporting Date, the names of the substantial holders of the Company and the number of equity securities in which those substantial holders and their associates have a relevant interest, as disclosed in substantial holding notices given to the Company, are as follows:

HOLDER OF EQUITY SECURITIES	CLASS OF EQUITY SECURITIES	NUMBER OF EQUITY SECURITIES HELD	% OF TOTAL ISSUED SECURITIES
MR JOEL MACDONALD	Fully paid ordinary shares	**41,689,309**	**22.11**
CHARLES FRISCHER	Fully paid ordinary shares	**15,275,488**	**8.10**
CLUTTERBUCK CAPITAL MANAGEMENT LLC	Fully paid ordinary shares	**14,228,699**	**7.55**
MR BANE HUNTER	Fully paid ordinary shares	**11,653,579**	**6.18**

Additional Securities Exchange Information

Number of holders

As at the Reporting Date, the number of holders in each class of equity securities:

CLASS OF EQUITY SECURITIES	NUMBER OF HOLDERS
Fully paid ordinary shares	**3,038**
Performance Rights	**5**
Options exercisable at $0.20 each on or before 7 December 2020	**8**
Options exercisable at $0.80 each on or before 14 August 2021	**3**
Options exercisable at $1.00 each on or before 14 August 2021	**3**
Options exercisable at $1.20 each on or before 14 August 2021	**3**
Options exercisable at $7.00 each on or before 18 December 2020	**1**
Options exercisable between $0.80 to $1.20 with expiry dates ranging from 5 years to 15 years	**10**
Options exercisable at $0.408, expiring on 19 September 2028	**2**
Options exercisable at $0.439, expiring on 14 December 2028	**1**
TOTAL HOLDERS	**3,074**

Voting rights of equity securities

The only class of equity securities on issue in the Company which carries voting rights is ordinary shares.

As at the Reporting Date, there were 3,038 holders of a total of 188,524,310 ordinary shares of the Company.

At a general meeting of The Company, every holder of ordinary shares present in person or by proxy, attorney or representative has one vote on a show of hands and on a poll, one vote for each ordinary share held. On a poll, every member (or his or her proxy, attorney or representative) is entitled to vote for each fully paid share held and in respect of each partly paid share, is entitled to a fraction of a vote equivalent to the proportion which the amount paid up (not credited) on that partly paid share bears to the total amounts paid and payable (excluding amounts credited) on that share. Amounts paid in advance of a call are ignored when calculating the proportion.

Distribution of holders of equity securities

The distribution of holders of equity securities on issue in the Company as at the Reporting Date is as follows:

Distribution of ordinary shareholders

HOLDINGS RANGES	HOLDERS	TOTAL UNITS	%
1 – 1,000	**1,108**	**566,707**	**0.30**
1,001 – 5,000	**1,108**	**2,956,857**	**1.57**
5,001 – 10,000	**349**	**2,824,289**	**1.50**
10,001 – 100,000	**421**	**12,622,954**	**6.69**
100,001 – 999,999,999	**52**	**169,553,503**	**89.94**
Totals	**3,038**	**188,524,310**	**100**

Less than marketable parcels of ordinary shares (UMP Shares)

The number of holders of less than a marketable parcel of ordinary shares based on the closing market price at the Reporting Date is as follows:

TOTAL SHARES	UMP SHARES	UMP HOLDERS	% OF ISSUED SHARES HELD BY UMP HOLDERS
188,524,310	**286,096**	**815**	**0.15%**

Twenty largest shareholders

The Company only has one class of quoted securities, being ordinary shares. The names of the 20 largest holders of ordinary shares, and the number of ordinary shares and percentage of capital held by each holder is as follows:

HOLDER NAME	BALANCE AS AT REPORTING DATE	%
CITICORP NOMINEES PTY LIMITED	**58,108,369**	**30.82**
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	**52,815,708**	**28.02**
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	**18,139,346**	**9.62**
MERRILL LYNCH (AUSTRALIA) NOMINEES PTY LIMITED	**9,677,667**	**5.13**
BNP PARIBAS NOMS PTY LTD <DRP>	**6,242,453**	**3.31**
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED-GSCO ECA	**3,512,750**	**1.86**
ARTESIAN BC PTY LTD	**2,766,417**	**1.47**
UBS NOMINEES PTY LTD	**2,504,266**	**1.33**
INSTANZ RESOURCES PTY LTD	**1,753,668**	**0.93**
VISTA GROVE INVESTMENTS PTY LTD <VISTA GROVE S/F A/C>	**1,300,000**	**0.69**
BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	**1,219,877**	**0.65**
MR AMRON JOSEPH D'SILVA	**1,000,000**	**0.53**
CS FOURTH NOMINEES PTY LIMITED <HSBC CUST NOM AU LTD 11 A/C>	**809,592**	**0.43**
MISS SUSAN COX	**676,116**	**0.36**
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	**553,562**	**0.29**
ANDIUM PTY LIMITED	**525,000**	**0.28**
MRS PATRICIA LEE MACDONALD + MR DOUGLAS BRUCE MACDONALD <MACDONALD SUPER FUND A/C>	**498,333**	**0.26**
MR STUART JAMES MATTHEWS	**413,802**	**0.22**
MR JARYD KRIS MISIOS	**394,684**	**0.21**
SHALOME & ASSOCIATES PTY LIMITED <SHALOME FAMILY A/C>	**355,000**	**0.19**
Total number of shares of Top 20 Holders	**163,266,610**	**86.60**
Total Remaining Holders Balance	**25,257,700**	**13.40**

Additional Securities Exchange Information

Company Secretary

The Company's secretary is Ms Sophie Karzis.

Registered Office

The address and telephone number of the Company's registered office is:

Level 3, 62 Lygon Street
Carlton VIC 3053

Telephone: +61 410 594 349

Share Registry

The address and telephone number of the Company's share registry, Computershare Investor Services, are:

Street Address:

Yarra Falls
452 Johnson Street
Abbotsford Victoria 3067

Telephone: 1300 137 328

Stock Exchange Listing

The Company's ordinary shares are quoted on the Australian Securities Exchange (ASX issuer code: GSW). The Company was admitted to the official list of the ASX on 9 December 2016.

Escrow

There are no securities on issue in GetSwift Limited that are subject to voluntary escrow.

Unquoted equity securities

The number of each class of unquoted equity securities on issue, and the number of holders in each such class, are as follows:

CLASS OF EQUITY SECURITIES	NUMBER OF UNQUOTED EQUITY SECURITIES	NUMBER OF HOLDERS
Performance Rights	**20,079,413**	**5**
Options exercisable at $0.20 each on or before 7 December 2020	**7,500,000**	**8**
Options exercisable at $0.80 each on or before 14 August 2021	**2,138,890**	**3**
Options exercisable at $1.00 each on or before 14 August 2021	**2,138,889**	**3**
Options exercisable at $1.20 each on or before 14 August 2021	**2,138,888**	**3**
Options exercisable at $7.00 each on or before 18 December 2020	**5,000,000**	**1**
Options exercisable between $0.80 to $1.20 with expiry dates ranging from 5 years to 15 years	**557,750**	**10**
Options exercisable at $0.408, expiring on 19 September 2028	**1,100,000**	**2**
Options exercisable at $0.439, expiring on 14 December 2028	**50,000**	**1**

Other Information

The Company is not currently conducting an on-market buy-back.

There are no issues of securities approved for the purposes of item 7 of section 611 of the Corporations Act which have not yet been completed.

No securities were purchased on-market during the reporting period under or for the purposes of an employee incentive scheme or to satisfy the entitlements of the holders of options or other rights to acquire securities granted under an employee incentive scheme.

The Company used the cash and assets in a form readily convertible to cash that it had at the time of admission in a way consistent with its business objectives.

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